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Pharmaceutical Chief

Henry J. Brown this week became president of the Canadian Pharmaceutical Manufacturers Association, which represents Canada's $190-million-a-year drug manufacturing industry. Mr. Brown is president and general manager of Burroughs Wellcome & Co. (Canada) Ltd., Montreal. *(Personality sketch, p. 6)*

NATION'S BUSINESS

They Can Afford To Set Examples

To the dismay and distress of every country with a stake in international trade or aid, the United States Government appears to be in serious and panicky retreat from its professed devotion to freeing trade bonds.

It is now slapping Buy American rules on its foreign aid program. This is good for U. S. business but it won't be good for countries receiving aid from the U. S. Development Loan Fund. It cuts the value of this aid by about 15%.

At the same time, the U. S. has warned other countries at the current GATT meetings that the U. S. may have a "resurgence of protectionism" unless remaining restrictions by other countries against dollar exports are finally abolished.

So the U. S. is practising precisely the reverse of what it is preaching to others.

By veering away from a firm policy of multilateral trade, the U. S. is failing to provide economic leadership.

And there is no room for any holier-than-thou attitudes about this new Buy American requirement. No country's skirts are clean on this score. In practice, for example, about 90% of the goods destined for Canada's Colombo plan projects originate in Canada.

But the horrible prospect opened up by the apparent change in U. S. trade policy is this: If the free world's leader practises protectionism, it could well trigger an international protectionist reaction. And, as we found out in the thirties, if each country aims at economic self-sufficiency or anything like it, the result can be world-wide stagnation.

Notice has been effectively served by the U. S. that a Europe, which it helped put on its feet, should now shoulder a bigger share of foreign aid responsibilities and cut out discrimination against dollar exports.

The reason for the apparent change in Washington attitudes is this: Uncle Sam is terribly alarmed over continuing deficits in the U. S. balance of payments. Last year's deficit was $3.4 billion; this year's will be around $4 billion. There's been an outflow of gold and dollars.

Greater protection against imports and Buy American requirements attached to foreign aid programs provide one way of boosting U. S. exports and narrowing the big trade deficit. But it's a way that could well do immense harm in the long run.

As the richest and most powerful country the world has ever seen, and certainly one which dominates all the west, the U. S. should set a good, not a bad, example in sound economic policy.

* * *

Big Gains for Small Borrowers

There is interesting and unwelcome news for the Prime Minister and his Minister of Finance in the monthly statement of the Bank of Canada.

This imposing, detailed document provides figures which prove rather conclusively that some people have been talking through their top hats.

Out of $1 billion dollar increase in bank loans between September, 1958, and June, 1959, those who could be fairly labeled as small borrowers got around $625 million—or almost two thirds of the increase.

And another calculation shows that the really big borrowers—those with lines of credit over $100,000—accounted for only 44.2% of all general loans outstanding at the end of June. In September of last year they accounted for still more, the figure was 45.4%.

The Prime Minister when commenting a few weeks ago on the rigors of tight money stated: "Perhaps one answer is for the banks . . . to re-arrange their outstanding loans to the end that some larger borrowers will be taking less so that smaller borrowers can get more."

Well, look at the facts. They make the case for giving the small borrower more money hard to defend.

Individual personal loans, for example, rose by $243 million or 29% between September last year and June this year. Other types of small borrowers did quite well too, as an article on p. 21 shows.

The fact is that the debts of the so-called "small man" in Canada are now at very substantial levels and no bank does anybody a favor by giving any borrower more credit than he can with reasonable ease be expected to repay.

By any test, the banks seem to be doing quite handsomely by the "small" borrower.

NEW RECORD

Your Lighting Up to Snuff For Christmas?

Here's how to keep up with Joneses and your competitors in Yule displays. Lighting sales to soar by 10% this season . . .

By FORBES GILBERTSON

If you're PR conscious your company's Christmas lighting will be more important than ever this season.

Your competitors are probably planning bigger, brighter and fancier displays to wow and woo the public.

Lighting men say that Yule lighting is heading for a record this year. Sales will probably go 10% higher than 1958.

Retail sales alone of Christmas lighting equipment will run to $9 million, probably more.

In this fast-growing industry, these are the major trends:

- **Industrial and commercial companies** are spending more and more each year for their outdoor seasonal displays.

This year, more of them will be less content to spend $200 to $300 for a display that will be lost amid the $2,500 to $8,000 extravaganzas of their competitors.

They're seeing more PR value in striking Christmas displays.

Consequently: Fat orders for the lighting manufacturers.

- **More of those who can afford** it are going whole hog for large, expensive decorative lighting.
- **One major supplier** in the field estimates its sales of heavy and commercial industrial specialty lighting in the Toronto area alone for this Christmas at over $200,000 and "this figure could easily be doubled in as little as 10 days."
- **There's an increasing trend** to sell commercial enterprises displays that can be added to each year.

New ideas and trends in equipment in the Yuletide lighting field this year:

▸ **A boom in artificial Christmas trees.**

Anticipating this, one major supplier, **Noma Lites Canada Ltd.**, started manufacturing artificial trees in Canada last June, now finds it can't keep up with the orders from jobbers and chain and department stores.

Flame-resistant, complete with base, symmetrical and realistic, the tree can be bought with or without lights. It comes in green, white, pink, blue, natural, and snow-flocked.

Height without lights ranges from 3 ft. to 7 ft. With lights, from 16 in. to 36 in.

The boom in artificial trees should gather momentum this year and accelerate even more next Christmas.

▸ **A hot demand for midget bulbs.**

Running as small at ¼-in.,

(Continued on page 8, col. 3)

Oil and Gas Fighting Now In Home Mortgage Plans

The unique "second mortgage if you use oil" plan introduced this fall to push fuel sales has sparked a spreading battle between fuel oil and natural gas for the new home heating market.

Imperial Oil fired the opening gun (**FP**, Sept. 19) in the mortgage battle by offering second mortgages of up to $1,200 to new homeowners in B.C. and Quebec who contracted to buy its fuel oil.

It has now widened the offer to include Manitoba. Ontario is next on the list.

At the same time, one of the biggest natural gas distributors in Canada is fighting back with a second mortgage plan of its own.

B.C. Electric Co., Vancouver, is now offering a mortgage plan to house-builders who install gas heating equipment.

Quebec Natural Gas, Montreal area, is also offering second mortgages in a move to counter Imperial's offer.

At least one other major oil company, **Shell Oil Co. of Canada**, is studying the whole mortgage picture closely. It may move into the field itself.

B.C. Electric is now offering second mortgages of up to $1,400 to builders who install gas burning equipment, **FP** is informed.

The interest rate is reported at 7% with mortgage term running up to seven years.

A mortgage of $1,100 is offered to builders who install gas space heating and water-heating equipment; $1,400 to builders who put in gas cooking ranges as well.

The offer, however, does not extend to all company's area and the number of mortgages offered to each builder is said to be limited.

British American Oil, which has had an oil heating equipment finance plan in operation for some time, will not move into the second mortgage field.

In this plan, B-A Oil offers financing of up to $1,000 on any make of oil burning or oil furnace equipment.

There's Real Test for You In U. K.'s New Trade List

By LESLIE WILSON

OTTAWA (Staff) — The new list of dollar goods to be freed from import controls in the U. K. will present the Canadian manufacturer with a real competition test.

The list, announced from London and Tokyo this week, should boost the percentage of dollar imports free from restrictions in the U. K. from 78% to 90%.

Most remaining restrictions will be on agricultural products, including many important Canadian exports.

But, it is believed here, the new relaxations won't help Canadian firms much unless the new opportunities are exploited by vigorous promotional effort.

Says an official:

"All through the early '50s, we exhorted the British to come over here and sell. We lectured them about their antiquated sales methods and told them that Canada was a land of opportunity for the salesman, if he met our tastes.

"In 10 years, U. K. sales here have increased by 75%; ours there by 12%. The shoe is now on the other foot."

Here is evidence that Canadian sales opportunities are going begging in Britain:

Except in two important sectors, Canadian exporters have taken small advantage of the dropping of U. K. dollar import restrictions over the last 18 months. In some cases, U. K. imports from Canada of freed items have dropped drastically.

Last year, the U. K. dropped restrictions against imports of salmon, newsprint; most chemicals; and most industrial, office and agricultural machinery.

Our one big sales gain was in salmon. We sold $26 million worth within two weeks after the salmon quota was discarded, mainly because U. K. buyers came after it (**FP**, Sept. 27, 1958).

Inside

The Cocktail Lounge and Business

The cocktail bar, to many Canadians, stands for elegance, civilized living—and big business. It's the heart of a controversy that may be costing your community millions upon millions of dollars. Special report. p. 25

Canada's Aviation Industry

This industry looks back on an erratic but distinguished 50 years and ahead to a strangely mixed future.

Feature report ..... pp. 49-68

Outlook for orders ..... p. 10

Amazing Company Growth Story

One of Canada's quietest and quickest industrial expansions has made Arborite into a Canadian household word. Here's how it happened and who did it. .. p. 29

They've Cracked Northern Market

Atlantic Provinces have a 5% foot in the door, but the rest of this huge potential beckons . . .

By VINCE LUNNY

HALIFAX (Staff) — The successful quest for sales in the North may spark more forays by Maritime Provinces businessmen into these rapidly expanding markets.

Already being discussed: Another flying trade exhibition to Goose Bay, Frobisher and Stephenville in the spring, sponsored by Atlantic Provinces Economic Council and **Maritime Central Airways.**

The aim. To consolidate the sales triumphs of the past summer and generate more new business.

Gains have been beyond expectations.

In four summer sailings the M/V Fauvette, operated by **Newfoundland-Canada Steamships Ltd.**, carried nearly 1,000 tons of cargo between Halifax and Goose Bay, via Charlottetown.

Its schedule was established following the APEC-MCA mission to the North last spring.

Biggest items: Lumber and building supplies, 500 tons being carried.

Maritime Central Airways reports cargo traffic from Moncton to northern markets increased 100% this year and that in August a record movement of 159,000 pounds was attained.

Monthly average this summer: 150,000 lb.

While much of MCA's busi-

(Continued on page 8, col. 3)

Local 'Charge It' Firms Invade Credit Card Field

By BEATRICE RIDDELL

Take another look at the credit card business in your city.

Now moving into the "mass credit" business alongside the big international organizations: Canadian companies offering "charge it" facilities for a host of local services.

One company, **Master Credit Service Ltd.**, started last May in the Ottawa-Hull area.

The brainchild of chartered accountant A. H. Ritchie, a former Commissioner of Finance for the City of Ottawa, the Master Card is now honored by more than 400 local firms.

These include retail stores, taxis, theatres, florists, auto repair shops and all of Ottawa's **Supertest** gas stations.

This week, five IGA stores join the Master credit plan.

"Designed primarily for local services, the card does not include travel facilities," Ritchie told **FP**.

"The subscriber pays nothing for his card, and is not held responsible for charges made against it if it is stolen," Ritchie says. The shopper is offered 30-day credit free of charge, or instalment buying privileges with service charge.

Co-operating merchants pay 5% commission on Master Card sales.

The company plans to expand to other Canadian communities.

More recent entry into the field is **Shoppers Club of Canada**, a Hamilton, Ont., credit organization which started operation in July.

An offshoot of **Hamilton Discount Corp.**, it's run by Hamilton businessmen who have been active in credit for a number of years.

Shoppers now has 300 stores signed up. "It is a family idea, not designed for the traveling executive," says Manager M. Sniderman.

Card holders, who are carefully screened, are free to buy anything up to the value of $75 without a credit check being made.

The card is issued free of charge to the subscriber who can have 30 days' free credit or instalment buying at a service charge.

Co-operating merchants in this scheme pay 6% commission.

This company plans to expand first in the Niagara Peninsula, later in other areas.

International Charge (Canada) Ltd., wholly owned subsidiary of **Seaboard Finance Canada Ltd.** (in turn subsidiary of **Seaboard Inc.** of the U. S.) will start credit card operation in Toronto mid-November. Expansion all over Canada is planned soon.

"Primarily a retail and local services card, the company is not soliciting travel, but has found some of this business coming in," says General Manager D. J. Strupat.

The Outlook

Unemployment 'Lots Lower' This Winter

Coast-to-coast FP check shows much brighter job picture ahead. Here's why . . .

By DALTON ROBERTSON
With FP Correspondents

One significant sign that Canada's economic expansion is pushing on into its final and prosperous phase: Unemployment won't be the serious problem in the coming winter that it was in the last two.

In every single province except P.E.I., government and industry officials predict that there will be fewer job seekers this winter or, if the number is actually higher, the ratio of job hunters to job holders will be lower.

In Quebec, for example, hopes are high that seasonal unemployment will be cut by 30%. In B. C., an expected breather from strikes is prompting employment officials to predict that this will be the best winter for employment in the past three. And this buoyant tone is reflected in almost all other provinces. (For special FP survey, see p. 36.)

Applications for work in a good many regions are currently running well below year-ago levels. September is often a key indicator of coming trends and more than one employment office has been surprised to find business isn't very brisk. In

(Continued on page 4, col. 3)

50c SHARE EARNINGS

Watch for January Action On Big Gas Exports Plan

By W. L. DACK

Ottawa is moving full speed ahead on the natural gas export case.

National Energy Board should announce an early January commencement for hearings on **Trans-Canada Pipe Line's** application to export Canadian gas to the U. S. Midwest.

(Washington's long-awaited approval on Canadian gas imports came last week. See p. 14.)

Chances now look excellent for a mid-February decision from our Energy Board.

Permit for the additional gas exports out of the province — which must come first—is expected any day now from the Alberta Oil & Gas Conservation Board. These hearings were held in Calgary on Oct. 13-14.

If Ottawa's decision on export is favorable — everything points to that — this would leave adequate time for:

- **Trans-Canada to firm up orders** for necessary pipe, compression equipment, etc., to build the additional 50 mi. spur line down to Emersan, Man., near the Minnesota border; line up the summer work jobs.

Total job cost: $32 million.

- **Alberta Gas Trunk Line** to arrange an expanded summer program.

To make the extra gas available for export, Trunk Line will have to build an additional 90 mi. of gas gathering line in Alberta and tie in six new gas fields.

This would leave only one more hurdle to be cleared — not looked on as too troublesome — before actual delivery of Canadian gas could commence to the Midwest:

The Federal Power Commission's approval of **Midwestern Transmission Co.'s** (the U. S. importing firm) financing and rate schedule plans and the

(Continued on page 8, col. 1)

Signs & Portents

GRASS, LEAVES, weeds and even ferns could form part of your diet in the future. U. K. inventor has machine for converting vegetable matter into edible, nutritious protein in the form of flour. It's even more efficient than a cow in protein conversion, he says.

* * *

SNOW REMOVAL idea for operators of parking lots, shopping centres: A snow melting pit fueled by oil. Pit measuring only 8 cu. ft. can melt 25 tons of snow per hour.

* * *

HAD TO HAPPEN: A union (representing Montreal fur dressers) has asked bosses to set normal working hours between 7.30 and 3.30. Reason: To avoid the hurry-scurry of rush hours. "We want our members to relax," says the union.

This Warehousing Hassle Could Boost Some Prices

By RALPH YOUNG

There's a hot hassle over fees developing behind the scenes among Ontario truckers, importers, and operators of inland sufferance warehouses.

It could result in slightly higher prices for some imported goods.

The question: Who pays the warehouse charges?

Smoldering for some time has been a situation in which carriers in some cities — particularly smaller centres — absorb the charge levied by sufferance warehouses for use of their facilities for customs examination of cargoes.

But carriers in other centres add the warehouse charge to their freight bills.

Normal charge made by the warehouse: 13¢ cwt.

Carriers want a uniform basis established, with warehouses billing the importers instead of the carriers.

The warehouses are howling. Invoicing hundreds of importers, instead of a relatively small number of carriers as at present, would require increased clerical staffs, they claim.

This, the warehousemen insist, could necessitate an increase in charges, to meet higher clerical wage bills.

Passed on to the consumer, that could result in higher prices.

Warehouses have given notice by letter to importers that truckers are refusing to handle terminal charges and that these would be billed directly to shippers, effective Feb. 1, 1960.

They have received replies from importers claiming that terminal charges "represent part of the whole transportation charges" and thus should be collected by the warehouse from the carrier.

Complicating the situation: The fact that border warehouses, owned by bridge and tunnel

(Continued on page 4, col. 5)

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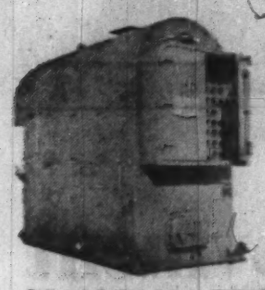

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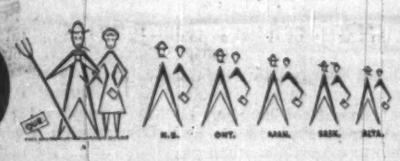

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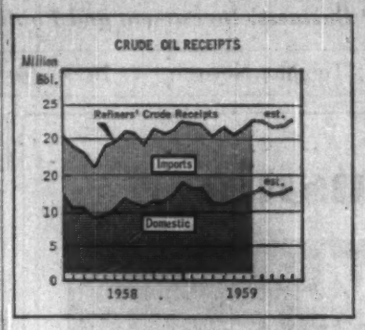
Trend of Business



Crude oil receipts by refiners in first eight months this year totaled 177.4 million bbl., of which 100.4 million bbl. was domestic production and 77 million imported. Industry estimates indicate receipts for September - December period of 91 million bbl., bringing year's total to 268 million bbl. (152 million domestic, 116 million imported). This would be 11% above 1958 receipts of 242.1 million bbl. (134.3 million domestic, 107.8 million imported).

Labor income up 7.7% on year. Wages and salaries of Canadian workers in August totaled an estimated $1,520 million, slightly above July's $1,508 million, and 7.7% higher than $1,412 million a year earlier. Increases were recorded in all regions: Maritimes, 10.3%; Prairies, 8.8%; Ontario 8.6%; Quebec, 7.9%; and British Columbia, 0.4%.

Export sales of Canadian wheat rose 6.9% in Aug. 1-Oct. 14 period over corresponding 1958 period—54.8 million bu. vs. 51.2 million bu. Visible supplies in all North American positions at Oct. 14 aggregated 380.6 million bu., up 1.3% from year-earlier figure of 375.6 million bu.

Canada's fishermen caught 181 million lb. of fish in September (174 million lb. a year ago) valued at $9.8 million ($14.9 million), lifting nine months' catch to 1,397 million lb. from 1,358 million lb., although value is down at $76.7 million ($86.4 million). Month's landings on east coast were valued at $5.3 million ($4.8 million last year); west coast catch total $4.5 million ($10.1 million).

Claimants for unemployment insurance benefits numbered 201,600 on Sept. 30, down 4% from previous month's 210,000 and 28% below 282,600 claimants a year earlier. All regions contributed to the year-to-year drop. Benefit payments amounted to $13.4 million in September vs. $13.1 million in August and $19.9 million a year earlier.

Motor vehicle shipments rose 11.2% in first nine months this year to 290,653 units from 261,349 last year. Shipments of vehicles for sale in Canada totaled 276,756 units (242,214), while exports fell 27% to 13,897 units (19,135). Passenger car shipments were up 9.9% at 237,448 units; shipments of commercial vehicles rose 17.2% to 53,205 units.

Freight carloadings in week ended Oct. 21 numbered 87,857 (81,756 a year ago), lifting year's total to date 2.5% above last year at 3,129,814 cars vs. 3,052,975. Principal commodities moved in greater volume in latest seven-day period included wheat, iron ore and miscellaneous carload commodities.

Montreal bank clearings in October amounted to $4,555 million, up slightly from $4,534 million in like 1958 month. In Toronto, bank clearings for month totaled $6,421 million, up 5% from $6,112 million a year earlier.

Major Weekly Indicators

	Latest Date or Week Ended		Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Oct. 31)	5,619	5,752	+33.3	+15.9
Truck production	(Oct. 31)	913	942	—23.6	+19.6
Bus. fail. 4-week moving av. (no.)	(Oct. 22)	32.8	30.3	+28.6	+6.5
Steel ingot production .. (tons)	(Oct. 24)	116,576	115,565	+0.7	+105.2
Steel production (% capacity) ..	(Oct. 24)	96.0	95.2	+0.7	+92.4
T.S.E. Industrial index	(Nov. 3)	514.06	509.06	...	+2.6
Yield 114 stocks	(Nov. 2)	4.37%	4.38%	+0.7	+3.1
Chartered banks					
Personal savings . ($ millions)	(Oct. 21)	7,165	7,170	—0.5	+1.6
Loans outstanding ($ millions)	(Oct. 21)	6,199	6,229	—1.4	+18.9
NHA mtge. hldgs. ($ millions)	(Oct. 21)	936	931	+1.7	+28.4
Montreal ($ millions)	(Oct. 30)	924	993	—31.7	—2.5
Toronto ($ millions)	(Oct. 30)	1,370	1,435	—27.2	+15.5
Cdn. dollar .... (U.S. cents av.)	(Nov. 3)	105.645	105.575	+0.2	+2.7
Carloading totals	(Oct. 21)	87,857	74,923	+0.8	+7.5
Eastern Canada	(Oct. 21)	57,099	50,305	+2.1	+14.3
Western Canada	(Oct. 21)	30,758	24,618	—1.5	—3.3
Iron and steel mfg.	(Oct. 21)	1,141	1,082	—5.5	+34.0
Ores, concentrates	(Oct. 21)	14,109	13,916	+3.8	+97.6
Base metals	(Oct. 21)	670	533	—5.0	+42.2
Lumber, timber, plywood	(Oct. 21)	4,480	3,846	+1.7	—3.1
Cement	(Oct. 21)	712	551	+11.9	—14.7
Bank of Canada holdings of					
Securities ..... ($ millions)	(Oct. 28)	2,717	2,704	—1.1	—1.5
Short-term govt. . ($ millions)	(Oct. 28)	569	547	+2.7	+71.4
Long-term govt. . ($ millions)	(Oct. 28)	2,071	2,080	—2.2	—10.6
Other securities .. ($ millions)	(Oct. 28)	19	19	...	—57.8
Department store sales					
% change from year earlier	(Oct. 24)	+10.7	+9.6	+16.5	+4.2

Facts by the Month

	Latest Month	One Month Previous	Change From— Two Months Ago %	Year Ago %
WHAT WE PRODUCE—				
In all industries (Index)	Aug. 161.9	160.6	—8.7	+7.1
In factories (Index)	Aug. 145.8	144.6	—7.1	+5.6
Total nondurable goods (Index)	Aug. 152.6	141.6	+0.3	+5.9
•Food & bev.	Aug. 167.0	153.3	+4.7	+7.3
•Textiles	Aug. 125.1	94.9	+0.6	+12.5
•Clothing	Aug. 114.4	111.2	+1.8	—1.5
•Chemical products	Aug. 191.6	178.6	+4.3	+3.5
Total durable goods (Index)	Aug. 137.8	148.1	—15.2	+5.2
•Iron & steel products	Aug. 148.4	141.1	—1.4	+22.6
•Primary iron & steel	Aug. 159.7	160.3	—6.7	+62.6
From mines (Index)	Aug. 260.5	259.2	+1.5	+12.7
•Metals	Aug. 216.5	220.6	+5.6	+12.8
•Nonferrous smelting, refining	Aug. 138.2	143.1	—5.8	+3.0
•Gold	Aug. 101.4	106.1	—3.7	—4.5
—From farms				
Cattle delivered (000)	July 137	160	+3.6	—2.8
Hogs graded (000)	July 529	707	—12.4	+43.7
•Grain mill products (Index)	Aug. 131.6	128.3	+0.2	—1.8
—From sea				
•East Coast catch ($000)	Sept. 5,289	8,338	—44.8	+9.3
•W. Coast catch ($000)	Sept. 4,505	7,900	—22.4	—33.5
—From forests				
Newsprint (000 tons)	Sept. 533	541	—0.6	+3.6
Pulp (000 tons)	Aug. 904	872	+2.1	+7.1
—In powerhouses				
Electricity (million kwh.)	Aug. 8,108	8,089	—2.3	+6.7
WHAT WE SELL—				
Retail sales ($ millions)	Aug. 1,291	1,270	—6.7	+1.7
Dept. store sales ($ millions)	Aug. 100.4	96.4	—8.2	+2.8
Wholesale sales ($ millions)	Aug. 624	719	—18.9	+7.6
Mfrs. outstg. orders ($ millions)	Aug. 2,262	2,163	+3.1	—2.3
Pass. car sales (units)	Aug. 30,453	35,941	—37.4	+19.1
WHAT'S ON HAND—				
Mfrs. inventories ($ millions)	Aug. 4,412	4,378	+0.8	+0.4
Dept. store stock sales ratio	Aug. 3.0	3.0	....	+3.4
SPENDING, SAVING POWER—				
•Labor income ($ millions)	Aug. 1,530	1,508	—0.6	+7.6
•Dividend payts. (Index) (annual rate)	Oct. 302.6	299.5	+0.8	—2.4
JOBS—				
Persons with jobs (000)	Sept. 6,078	6,188	—2.1	+3.3
Jobless seeking work (000)	Sept. 213	239	—6.6	—21.4
Do. (% of labor force)	Sept. 3.5	3.7	....	—20.5
CONSTRUCTION—				
Contract awards ($ millions)	Sept. 339	315	+11.1	+6.9
FOREIGN TRADE—				
Exports ($ millions)	Sept. 458	414	+8.5	+15.6
Imports ($ millions)	Aug. 449	495	—14.3	+15.4
MONEY—				
Money supply ($ millions)*	July 13,072	12,942	+1.1	+4.8
Cheques cashed ($ millions)	Aug. 19,737	23,747	—10.2	+13.4
Life insurance sales ($ millions)	Aug. 427	462	—23.1	+13.2
Notice deposits ($ millions)	Aug. 7,819	7,803	+0.3	+5.2
Current public loans ($ millions)	July 6,218	5,975	+4.0	+18.9

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

PRICES—					
Consumer prices (Index)	Sept.	127.1	126.4	+0.9	+1.3
Wholesale prices (Index)	Sept.	230.9	230.8	—0.1	+1.5

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	Aug.	473	266	3,788.8	+25.4
•Nickel (000 tons)	Aug.	16.8	13.3	117.2	—0.9
•Primary copper (000 tons)	Aug.	35.9	30.6	297.9	+0.6
Lumber exports (millions fbm.)	July	430	360	2,572.5	+23.8
Lumber (millions fbm.)	July	643	606	4,531.4	+3.2

•New item this week.
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

Date of issue for your file, The Financial Post, Nov. 7, 1959.

Look For It Here

November 7, 1959

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Alberta May Take Over Industry Tax

From Our Own Correspondent

CALGARY — Watch for the Alberta government to take over collection of industrial taxes.

Two cabinet ministers hinted to delegates at the convention of Union of Alberta Municipalities the bill to pool industrial taxes may be passed at the next session of the legislature.

The government would collect the taxes and, in turn, distribute the money "on an equitable basis" to the municipalities.

The question of the government collecting industrial taxes has been bandied about for two years. Some delegates from the rural points expressed favor to the idea as long equated distribution is fair and reasonable.

Others like Calgary, Drumheller and Taber are not in favor in that such a move would lessen the degree of autonomy municipalities have.

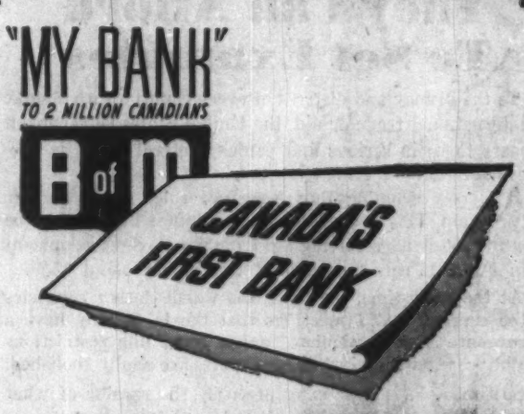
Municipal Affairs Minister A. J. Hooke said studies by several organizations in the province show that advantages for such tax revision balance the disadvantages.

Reports by industry and planning commissions show that manufacturing plants look for natural resources first and the area of low taxation last, Hooke said.

He said the government is definitely against the practice of municipalities offering special tax concessions to industry.

Provincial Treasurer E. W. Hinman told delegates the plan will not be a case of "one fell swoop" but will be the best possible.

Hinman said the Alberta Municipal Finance Corp. will have money available for municipalities but urged that loans be made for priority requirements.



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Pay-as-You-Show Plan for Fairs

OTTAWA (Staff) — The government is working out a "pay-as-you-show" policy for exhibitors in Canada's trade fairs around the world.

By year end, there will have been 21 Canadian trade shows in foreign countries — ranging from the enormously popular "solo" shows last winter in Kingston, Jamaica, and Port-of-Spain, Trinidad, to a tiny fur salon put up in a hotel suite in Vienna in April.

The West Indies fairs drew over 75,000 people each, the fur displays, perhaps 250 specialist buyers.

For the first time this year, exhibitors had to share in the costs of some shows. Three were chosen — the two in the West Indies and the exhibit at the (U. S.) National Metal Exposition and Congress which runs this week at Chicago.

For 1960, plans for 22 fairs have already been laid (see panel). More may be added. Exhibitors will have to pay part of the costs of five of the 22.

In 1961, the proportion of "cost-sharing" fairs will likely be higher and it should continue to rise. Eventually, all fairs outside the Iron Curtain are likely to be financed at least partly by exhibitors' contributions.

Motive behind the switch:

"Cost sharing," says a trade official, "will 'separate the men from the boys'. That is, it will separate the companies who are prepared to follow through on leads which the trade fair produces from those who just don't care.

"We think that something given for nothing is appreciated less than something for which money is paid. Companies which have financial stakes in our foreign exhibits will be far more interested in them."

No one objects to the extra money and it may be used to enlarge the trade fairs program without boosting the budget appropriation. But more money is a secondary motive. Generating interest is the main one.

So far, Canadian industry seems to agree with the new view.

Until this year, all that a company had to do to exhibit at a Canadian trade show was ship its contribution to Ottawa. The government designed the total exhibit, shipped all items abroad, even sometimes (through the trade commissioners) put on a sales pitch and took orders at the fair itself.

The cost-sharing idea was introduced, not without misgivings, at the West Indies fairs. Three formulas were worked out by which companies paid for space occupied by their exhibits. The two fairs cost $193,000 and the exhibitors paid $40,000—an average of $285 each for 140 displays.

The two fairs were among the most successful ever put on by the trade department. Sir Grantley Adams, Prime Minister of the West Indies, opened one; Canada's Veterans' Affairs Minister Alfred Brooks, the other. Scores of Canadian businessmen, including a Chamber of Commerce delegation, attended.

Orders generated by the show, it is believed, will run to many millions of dollars.

Important from the government's point of view:

No one objected to the cost-sharing.

Experience at the West Indies fairs convinced officials that cost-sharing stimulated the exhibitors to greater efforts to promote sales.

For the Canadian exhibit this week at the National Metal Congress, a flat-fee arrangement was used. Each of the 14 exhibitors paid $400 — $5,600 of the total $25,000 cost.

The Department had no trouble getting exhibitors and expects that next year's offering at this specialized trade show will be much larger.

The 1960 shows chosen for cost-sharing are:

The atom fair at New York, April 4-7; the American Society of Tool Engineers' Show at Detroit, April 21-28; The Design Engineering Show at New York, May 23-26; The British Food Fair at London Sept. 1-17; and again The National Metal Congress, to be held this time at Philadelphia Oct. 17-21.

Several cost-sharing formulas are now being looked at for application to the 1960 fairs. Exhibitors will be asked to pay only 20% - 25% of total costs, probably on a flat-fee basis.

Canadian trade shows abroad may be of two kinds:

- **The general fair** at which all kinds of merchandise is shown.
- The so-called "vertical" fair which caters to the products of a single industry and may run the gamut from raw materials to specialized manufactures.

The three 1959 shows chosen for cost-sharing were all solo fairs. Presumably on the principle it should be easier to establish a new idea within a single industry than across the board, the 1960 shows chosen for cost-sharing are all vertical "participant" shows.

In the last few years the trade fair has become almost as firmly established as the trade commissioner service as an instrument to promote Canadian sales abroad.

In the 10 years after World War II, the government spent an annual $100,000 to $150,000 on trade shows. They were planned on the recommendation of trade commissioners abroad and of commodity officers in the trade department, and supervised by the department's commodities branch.

Right after the war, we held some half dozen foreign trade shows a year. By 1955, there were 11.

Four years ago, the procedure was changed. A Trade Fairs Advisory Committee — 10 top civil servants from six branches of the trade department — was established to look after policy and a trade fairs office opened in the department to handle operation. Exhibits are designed, built, shipped abroad and installed by the exhibitions branch of the department.

The trade shows appropriation was boosted by 40% in 1956 ($258,000 from $151,000), and has risen steadily since. Next year, the program will cost $547,000. At the same time the number of shows was increased and new kinds of goods are being shown.

Of the 1960 Canadian shows, two will be held in West Berlin, and three behind the Iron Curtain. There will be special solo fur shows in Milan and Paris.

World Trade Fairs In the Year Ahead

Trade Fair Program for 1960

Fair	Time	Exhibiting
National Ass'n of Home Builders Convention, Chicago	Jan. 17-21	Building supplies
Berlin Green Week	Jan. 29-Feb. 7	Agricultural products
National Sporting Goods Ass'n Convention, Chicago	Jan. 31-Feb. 4	Sporting goods
Daily Mail Home Exhibit, London	March 1-26	Consumer goods, foods
Fur Salon Display, Milan	March 21-25	Pelts, fur garments
Fur Salon Display, Paris	April 4-6	Pelts, fur garments
Rand Easter Show, Johannesburg	April 4-23	Engineering, forest products; furs
Atomfair,* New York	April 4-7	Atomic materials
American Tool Engineer's Show,* Detroit	April 21-28	Machine tools
Commonwealth & European Food Festival, London	April 25-May 7	Foods
Frankfurt Fur Fair	April 28-May 1	Pelts, fur garments
National Bakers' Show, Amsterdam	May 10-19	Wheat
Design Engineering Show,* New York	May 23-26	Mfg. equipment
Building Trades Exhibition, Cardiff	June	Building supplies
International Specialty Food Show, Chicago	July 10-13	Specialty foods
International Trade Fair, Poznan, Poland	June 12-26	Products of Industry
British Food Fair,* London	Sept. 1-17	Foods
International Trade Fair, Brno, Czechoslovakia	September	Products of Industry
International Trade Fair, Zagreb, Yugoslavia	Sept. 5-20	Products of Industry
German Industries Exhibition, Berlin	Sept. 12-27	Products of Industry
Building Trades Exhibition, Manchester	Oct. 11-12	Building supplies
National Metal Congress,* Philadelphia	Oct. 17-21	Machine tools

*Fairs at which exhibitors will be asked to share costs.

SAYS DONALD GORDON:

Inflation Twists Financial Reports

MONTREAL (Staff) — Inflation is undermining the validity of today's financial statements, says **Canadian National Railways'** president Donald Gordon.

Speaking with characteristic bluntness this week to the Institute of Chartered Accountants of Quebec, Gordon said:

"For some years now businessmen have had reservations about the degree of reality actually revealed in financial reports, and the usefulness of these reports as a guide to investment and other business decisions."

He noted that since World War II, most countries of the Western world have experienced a continued decline in purchasing power of monetary units. Measure of value based on these units has thus become more and more controversial.

"As this inflation progressed, accountants were pressed further and further into the dilemma of how to measure effectively with an inconsistent standard," he said.

"It has been charged that inflation tends to eat away the nation's capital because business earnings are overstated, with consequent excessive distribution through incorrect accounting practices.

"This, of course, becomes a matter of degree, but it does raise sharply the question as to whether or not the accounting profession has a responsibility for determining to what extent the effects of the changing value of (money) should be reflected in the financial reports of a business enterprise," Gordon said.

The accounting profession, he stressed, must accept this responsibility at least to the extent of deciding upon proper procedures and advocating their adoption.

Gordon said that where the historical cost approach to accounting is used, the inflationary process can have a profound effect on the valuation of assets, even inventories.

"When assets are acquired at one price level and are consumed over a period of years during which money values change, financial statements which do not record these changes are suspect as being unrealistic and, indeed, misleading.

"If our inventory of goods appreciates through a rise in the price level, is the amount of the appreciation expendable?

"If an entrepreneur invests $100,000 in 1939 and he has $100,000 in 1959, has he protected his capital when purchasing power of his investment has fallen substantially?

"Or, can we justify either morally or economically solicitation of the public funds to replace those lost in prior years of inflationary erosion?" he asked.

Gordon noted various foreign countries, including France, Belgium and Italy, have enacted legislation to provide a measure of tax relief to offset the effects of inflation.

"It is my impression that the majority of accountants in this country still favor the historical method of accounting," Gordon said.

What was needed was an organized and systematic effort, fully approved by Canadian chartered accountants, aimed at a series of definitive recommendations on dealing with the accounting aspects of the problems of inflation.

He warned:

"The accounting profession must agree among themselves before they can gain acceptance of their views from the business community or from governments.

"For 20 years you have been arguing among yourselves about the most important accounting question of the generation and the shibboleth of 'generally accepted accounting principles' has prevented your profession from coming up with forthright recommendations.

"Certainly you may count me among those who entertain serious doubts that your generally accepted accounting principles are adequate to face the challenge of the facts as they exist," Gordon told the accountants.

He suggested one step accountants could take was a clarification of the audit certification which is appended to financial reports.

Public accountants, Gordon said, should specifically mention that reports referred to do not attempt to record changes in the value of the monetary unit.

"This proposal is intended only to highlight (the problem) and insure that interested parties are not misled by certified statements in which various price levels are represented," he said.

Bond Issues Higher in Oct.

Canadian government, provincial, municipal and corporation public bond financing in Canada for October, 1959, totalled $206,992,894, up 67.5% from $123,501,517 in October, 1958, **Wood, Gundy & Co.** reports.

During the first ten months of this year, total public bond financing dropped 25.1% to $1,947 million from $2,599 million for the same period in 1958.

Most of the increase in October was due to provincial direct and guaranteed financing, which rose from $48 million to $121 million in the year's comparison.

Municipal bond financing in October declined to $38.5 million from $55.2 million a year earlier, including $20 million City of Montreal debentures sold in the U.S.

New corporation borrowings more than doubled at $47.4 million. **B. C. Electric Co.** 6% convertible sinking fund debentures, due 1984, accounted for $40 million of the October total.

Here is a breakdown of bond issues for the first 10 months of 1959, compared with the same period a year earlier:

Jan. 1 to Oct. 31:	1959 $	1958 $
Canada direct & guaranteed*	634,000,000	1,050,000,000
Provincial direct & guaranteed*	645,359,770	530,094,000
Ontario Municipal	160,596,702	124,586,169
Que. & Mar. Mun.	157,361,500	194,553,300
Western Municipal	48,446,264	47,658,774
Corporation	281,027,550	652,440,000
Total	1,946,791,786	2,599,332,443
Pay. in Can. Fds.	1,528,439,835	2,194,091,822
Pay. in U. S. Fds.	418,351,951	405,240,621
Total	1,946,791,786	2,599,332,443
Can. short term obligations†	6,548,544,000	6,790,000,000
Prev. short term obligations†	31,950,000	95,000,000

*Over two years in term.
†Under two years in term.

Cunard Plans Halifax-N.Y. Ship Service

MONTREAL (Staff) — **Cunard Steam-Ship Co.** this winter will inaugurate what in effect is a Halifax-New York passenger service.

Company has announced that during the 1959-60 winter season a limited number of first and tourist class bookings between the two ports will be available on the Cunard liners Saxonia, Ivernia, Carinthia and Britannic.

The ships call at Halifax on westbound voyages from the U. K. en route to New York and again on eastbound voyages from New York for U. K. ports.

To the present, only first class bookings between Halifax and New York have been accepted.

The new service is intended primarily for persons wishing to include a 1½-day ocean voyage in their trip between Canada and the U. S., a Cunard official told FP.

Either one-way or round-trip booking will be accepted and a limited space is available for passengers wishing to take their automobiles. Fares are $60 first class and $40 tourist class, one way.

In all, 15 sailings eastbound and a like number westbound are involved. The first is eastbound out of Halifax for New York Dec. 3.

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CANADA
A TURN FOR THE BETTER?

1958-59 Canadian recovery in profits and stock prices did not compare with those of the U. S., let alone the U. K. and Europe. Hence, investors are bypassing Canada. But is this wise?

In the November issue of THE BANK CREDIT ANALYST, Hamilton Bolton devotes a special chapter to Canadian Prospects for 1960 — exchange premium, interest rates, export trade, national budget, fiscal policies, Bank of Canada, foreign investing, etc.

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THE Bolton-Tremblay BANK CREDIT ANALYST
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Note

By VINCENT EGAN

Some long awaited new issues were finally offered this week. Their favorable reception seems to point to an improvement in the bond market.

Biggest new issue — and best received — was $24,357,000 **Metropolitan Toronto** 6% bonds, offered in various maturities by a syndicate headed by **Wood, Gundy & Co., Dominion Securities Corp., A. E. Ames & Co.** and **McLeod, Young, Weir & Co.** Here are details:

—$1,249,000 due 1964 yielding 6.35%.
—$1,573,000 due 1969 yielding 6.31%.
—$282,000 due 1974 yielding 6.34%.
—$17.7 million due 1979 yielding 6.33%.
—$835,000 due 1989 yielding 6.30%.
—$2,718,000 serials due 1960-74, yielding 6.36% to 6.31%.

* * *

Private distribution of the $20 million **Dominion Foundries & Steel Co.** issue (FP, Oct. 31) is now being arranged. The 6¾% 15-year debentures, priced at par, are non-callable for 10 years. Underwriter: A. E. Ames & Co.

Another placement by **Equitable Securities,** consists of $5 million **Foundation Co. of Canada** 6½% 20-year debentures, also at par and non-callable for 10 years.

* * *

Greenshields & Co., it is rumored, will offer two 25-year first mortgage bond issues in the U. S., both at par — $1-$1.5 million **Lower St. Lawrence Power Co.** 5⅞% and $3 million **Quebec Telephone** 5⅝%.

* * *

Bondholders of **United Towns Electric Co.** will vote Nov. 20 on proposed changes in the trust deed, which would permit the issue of more first mortgage bonds . . . **United 5c to $1 Stores of Canada Ltd.,** a private company, has changed its capital stock, and now has 450,000 Class A and 50,000 Class B npv common shares . . . Rumors suggest an offering—possibly secondary — of **Canadian Fairbanks-Morse** npv common shares (recent price: $31). Company is said to have been buying more blocks of its 6% $100 par preferred shares . . . Another rumor: Possible financing by Ottawa's **Lord Elgin Hotel.**

* * *

Eastern Securities Ltd. of Saint John, has sold at par $200,000 6¾% 15-year bonds of **Sussex Ginger Ale Ltd.,** Sussex, N.B. Bonds are non-callable for 10 years.

INVESTMENTS

Better Rules of Conduct Needed for Takeover Bids

By PAUL S. DEACON

THE recent flurry of takeover bids in the U.K. has resulted in the production there of a memorandum setting forth suggested rules of conduct for such offers.

This memorandum, "Notes on Amalgamations of British Businesses", was prepared by a committee of leading financial men at the suggestion of the Bank of England. **Canadian financial and business executives will find it has wide application to our own situation.**

Recent offers for big blocks of stock of Canadian companies illustrate the need for a close look at Canadian performance.

Three recent cases come to mind, each illustrating a different type of offer.

1. Powell River's share exchange offer to shareholders of MacMillan & Bloedel.

In this case, the proposal was filed with Securities & Exchange Commission in the U. S. so that the offer could be made to U. S. shareholders. Shareholders of both companies received a prospectus which sets out in detail past financial records, share prices, company operations and other relevant matters (all thanks to U. S. law, not ours).

Powell River shareholders were given an opportunity to vote on the proposed merger of the two companies. MacMillan & Bloedel shareholders have been given four months in which to make their decision.

2. Tate & Lyle's offer to buy a maximum of 676,435, and a minimum of 593,370 shares of Canada & Dominion Sugar (FP, Oct. 31).

Tate & Lyle already holds 197,130 of the 1,550,000 shares outstanding, and is represented on the board of directors. Directors sent shareholders a letter stating that they considered the offer an attractive one, but aside from stating that earnings in the first months ended Aug. 31 were "substantially lower" than a year ago, they provided no financial information.

As for the future, their only comment was "Despite some recent improvement, your directors can give no assurance of an early return to the earnings levels of previous years."

3. St. Lawrence Cement's offer to buy 500,000 shares of Standard Paving & Materials (FP, Oct. 31).

St. Lawrence made its offer directly to shareholders without coming to any agreement beforehand with Standard Paving directors. No up-to-date financial information or other details on Standard Paving's operations or outlook were made available to shareholders. Such information, of course, would have to come from Standard Paving.

The U. K. committee studying takeovers set out four general principles which would apply whether a merger is agreed on by two boards of directors, whether it is made over the heads of the sitting board, or whether competing offers are made:

1. There should be no interference with the free market in shares and securities of companies.

2. It is for a shareholder to decide for himself whether to sell or retain his shares.

3. To enable him to come to a considered decision, the shareholder should have in suitable form and at the right time all relevant information, and it is the duty of the board of his company to make every effort to ensure that such information is provided and to give him their advice.

4. Every effort should be made to avoid disturbance in the normal price level of shares until the relevant information has been made available.

Some of the measures suggested to give effect to these principles include:

—The bidder should normally approach the board, give details of the offer, provide evidence of the resources necessary to meet the offer, and give directors sufficient time to consider the offer.

—"As soon as reasonably possible" directors should inform shareholders and advise them on whether it should be accepted.

—Whether directors recommend acceptance or not, they should see that shareholders are given all necessary information with which to make their own decision. This would include resources backing the offer; intentions of the bidder for future conduct of the company and possible effects on employees; shareholdings of the bidder; where the offer is a share exchange, **"the fullest possible information on the future commercial prospects of the combined companies".**

In most cases, the committee believes an offer should be for the whole of the share capital of a company or of the class of shares concerned. "If, in some very exceptional case, a partial offer is justified, this should be on a pro rata basis, and if acceptances exceed the amount required, they should be proportionately scaled down."

(In Canada, where there is strong sentiment in favor of having at least some shares available for local investment, the case for partial offers is undoubtedly much stronger.)

If directors are being offered special compensation, "shareholders should be given the fullest information as to the manner in which any proposed compensation payments have been worked out," the committee suggests.

The Economist, leading U. K. financial weekly, points out that takeover bids are a proper part of business life. Amalgamations frequently improve business efficiency.

"In all, the suggestions by the committee put directors firmly in their place — as servants of the shareholders as well as servants of the company.

"These notes emphasize the right of any bidder to bid, the right of any board to accept or reject that bid, and the right of shareholders to be the final arbiters."

Spelling out similar sensible rules for Canada should be a matter for immediate action by the federal and provincial governments. They should be incorporated in the companies acts of all jurisdictions, so that bidders, companies being bid for, and shareholders will be assured a fair deal.

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Quebec Fund For Students Needs Money

MONTREAL (Staff) — Quebec's unique Student's Loan of Honor Fund is now working to raise $250,000.

Started in 1944, the fund is supported both by business and individuals. Its purpose is to lend tuition funds to promising young university students.

Its supporters say that private enterprise has a responsibility to help students and not leave the job to governments.

On Nov. 16 some 10,000 Montreal students will carry out a door-to-door collection with a target of $150,000. The remaining $100,000 will be solicited privately.

A selected student is on his honor to pay back the loan after completing his or her studies.

Since it started, the fund has made 1,725 loans, averaging $400 each. The majority of students — 75% — come from families with an annual income of less than $4,000. The largest proportion — 30% — take science, engineering or commerce. The next largest group — 28% — is listed under "liberal professions".

The beneficiaries have attended all Quebec universities as well as Ottawa, Toronto, Queen's, Manitoba, Oxford, Cambridge, London School of Economics and a number of U. S. and European colleges.

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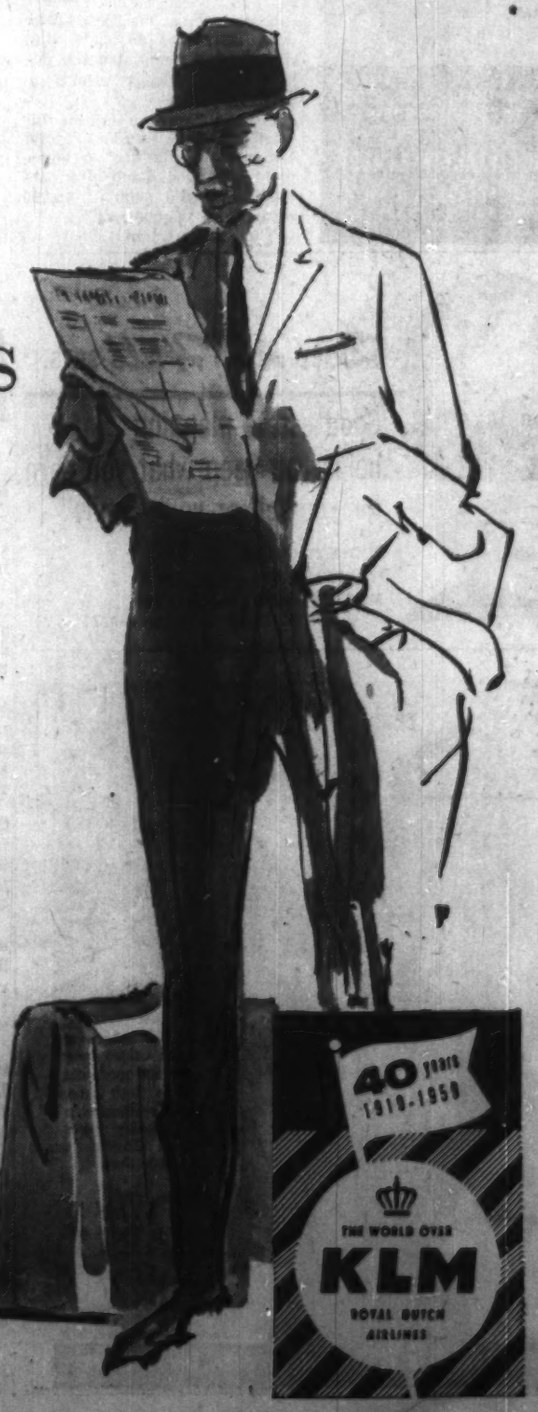

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Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By P. T. DURRANT

A combination of better-looking third-quarter earnings reports, dividend increases and developments on the natural gas front helped lift industrial stocks higher last week for the first time in almost a month. The Toronto Stock Exchange industrial index (514 at mid-week) was up five points from a week earlier.

Natural gas pipelines climbed steadily in active trade as buyers anticipated approval by the Federal Power Commission of gas imports into the U. S. Following the weekend release of FPC's favorable report, a short-lived burst of buying pushed stock prices even higher.

However, profit-taking soon cut into gains, and by mid-week most gas stocks had subsided to their levels of a week earlier, indicating last week's heavy buying had almost fully discounted the FPC announcement.

Trans-Canada Pipe Lines added over $3 to $29¼ before settling back to $27 at mid-week. Company will supply **Midwestern Gas Transmission Co.** with 204 million cu. ft. of natural gas daily provided it obtains approval from Alberta and Canadian government authorities. It is hoped this will be forthcoming early next year.

Trans-Canada will have to build a 50-mi. spur line to Emerson, Man., and a number of compressor stations, at a cost of about $32 million. Midwestern Gas Transmission plans to start its construction program next spring and hopes to start taking gas in a year's time.

Alberta Gas Trunk Line, which collects Alberta gas for delivery to Trans-Canada, added more than $2 to $29 (1959 high—$30); later gave up almost all the gain. Mid-week price: $27½.

Inland Natural Gas Co., not directly affected by the FPC decision, traded actively early this week, gaining almost $2 to $6⅝. Interest evidently stems from a company report that higher earnings can be expected in current fiscal year.

* * *

Boyles Bros. Drilling A stock dropped steadily in October from its 1959 high of $9½ to the year's low of $7¼ by month-end. The B stock meanwhile traded near its low of $4, off from the $5¾ high. Company has reported that earnings in first half of current fiscal year showed considerable improvement over corresponding 1958 period. Net profit of 43c per class A share was double that of a year earlier and substantially over the six-months' dividend requirement (30c per share). On the class A and B shares combined, earnings are equivalent to 31c per share.

Also trading near its 1959 low ($7) is **Western Canada Steel,** Vancouver holding company for **Vancouver Steel Co., Vancouver Rolling Mills** and **Pacific Bolt Manufacturing Co.** Top price for the stock this year was $9½. Company is confident that results for fiscal year ended Oct. 31 will be better than the 70c per share earned last year. Further improvement is expected for 1960 year. A new ingot plant on Twigg Island in the Fraser River will start operations next January. At recent price of $7⅛ and indicated annual dividend rate of 25c, stock yields 3.51%.

Sales and earnings of **Hamilton Cotton Co.** this year are running about 10% ahead of 1958, company reports. Last year's net was equal to $2.12 per share ($2.48 in 1957). Stock has traded this year between $20-$15; recent price of $17 is eight times 1958 earnings. Yield is 5.29% at indicated annual dividend rate of 90c.

114 Stocks Yield Averages 4.37%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.,** on the prices of Nov. 2 was 4.37%, off .01% from the previous week.

The current yield compares with 4.34% one month ago and 4.24% in the corresponding week last year.

Here is the yield by the various groups:

	Nov. 2	Week Ago	Month Ago	Year Ago
	%	%	%	%
Common	3.96	3.96	3.88	3.88
Pfd. & A	5.14	5.17	5.09	4.84
Mining	5.15	5.17	5.26	4.95
Banks	3.23	3.14	3.06	3.14

Hydrocarbons Earns 60c Share, Only 2c Earlier

Nine months net profit of **Canadian Hydrocarbons Ltd.,** Calgary, amounted to $421,652 ($13,895 in the comparable 1958 period), equal to 60c per share compared with 2c in previous period.

Working capital at Sept. 30 was $1,696,633, a $365,961 increase since Dec. 31. In the same period, funded debt has been reduced by $243,000 to $2,292,000.

Most of the major improvements in operating efficiency and other factors responsible for the sharp increase in earnings in the first nine months, were in effect by the final quarter of 1958.

For this and other reasons, company states, results for the last quarter this year are unlikely to vary much from fourth quarter 1958.

Which way interest rates now?

This is the title of the feature article in our November booklet "Investments". The booklet also contains a broad list of representative Government and corporation securities for investment.

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ANNOUNCEMENT

W. HOWARD BATTEN

Mr. R. A. Batten, Chairman, is pleased to announce the appointment of Mr. W. Howard Batten, B.A., to the Board of Directors of Rapid Grip and Batten, Limited. Mr. W. H. Batten has been with the company many years and at the present time is manager of the Ottawa Branch of the organization.

Std. Paving Bid Blocked?

St. Lawrence Cement Co.'s bid to gain control of **Standard Paving Co.** (FP, Oct. 31) may have been forestalled.

Market action in Standard Paving's stock has returned to a more normal pace following last week's hectic turnover of almost 180,000 shares in which the price jumped from $19 to a high of $24¾. Early this week, the shares were trading in the $20-$21 range.

Opinion in investment circles is that last week's buying of Standard Paving shares by undisclosed interests has probably blocked St. Lawrence Cement's offer to purchase 500,000 shares at $24 each.

However, neither **Moss, Lawson & Co.,** which acted for the undisclosed buyers, or **Royal Securities Corp.,** which handled the St. Lawrence offer, would comment on this opinion.

The offer to Standard Paving shareholders is subject to several conditions:

- **Acceptance will be binding** on St. Lawrence only to the extent of 500,000 shares and in the order of priority of receipt.
- **Neither Standard Paving nor its subsidiaries** have any long-term contracts or commitments which would adversely affect their assets or earnings, or to purchase raw materials or supplies from any particular source, or to sell their products or render services to any particular customer, or have any option or agreement outstanding to issue treasury shares.
- **That no shares have been issued** by Standard Paving or subsidiaries since the date of the offer and that no additional dividends have been declared or paid other than those already declared.

The offer expires at noon (EST) Dec. 1, 1959.

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ANNOUNCEMENT

THE JAMES ROBERTSON COMPANY (LIMITED)

A. COLLINSON

The appointment of A. Collinson to the position of Secretary-Treasurer of the company was announced by Ivan R. Leger, president, on behalf of the Board of Directors.

RIVER PROJECT BOOK

Harnessing the South Saskatchewan, a 25-page booklet summarizing all aspects of the South Saskatchewan River Project, is available from the Department of Travel & Information, Legislative Annex, Regina, Sask.

Dividend Changes

CANADA VINEGARS—Common, 30c plus 20c extra payable Dec. 1 to holders of record Nov. 13; ex-dividend Nov. 10. Total paid or payable to date in 1959, $1.10 plus 20c; total paid in 1958, $1.00 plus 35c. Recent price: $34.13.

INTERNATIONAL NICKEL COMPANY OF CANADA—Common, 65c plus 40c extra (U. S. funds) payable Dec. 21 to holders of record Nov. 23; ex-dividend Nov. 19. Total paid or payable to date in 1959, $2.60 plus 40c; total paid in 1958, $2.60. Recent price: $93.25.

NEWFOUNDLAND LIGHT & POWER—Common, 50c payable Dec. 1 to holders of record Nov 10, ex-dividend Nov. 6. Total paid or payable to date in 1959, $1.45; total paid in 1958, $1.80. Recent price: $50.50.

ROYAL BANK OF CANADA—Common, 52½c plus 30c extra payable Dec. 1 to holders of record Nov. 4. Total paid or payable to date in 1959, $2.02½ plus 30c; total paid in 1958, $2.00 plus 25c. Recent price: $78.50.

SHOP & SAVE (1957)—New common, 10c plus 2½c payable Nov. 16 to holders of record Nov. 2. First following two-for-one split. Recent price: $11.00.

RSC

"Investment Suggestions"

is the title of our monthly list of current offering prices and yields on a diversified selection of government, municipal, public utility and industrial securities.

Any of our offices will be glad to send you a copy of November *Investment Suggestions* on request.

ROYAL SECURITIES CORPORATION LIMITED

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39-41

Spartan Air Firm Seeks New Financing to Save Company

MONTREAL (Staff) — Officials of **Spartan Air Services Ltd.** and their creditors at mid-week were trying to arrange some form of refinancing to save the company.

Action on a bankruptcy petition brought against the air survey and helicopter company has been postponed until next week.

No details of the new plan are known.

In aviation circles Spartan has been described as the first major victim of the new plan which allowed an important increase in competition among operators of smaller planes.

The blow came late last month when **Shell Oil Co. of Canada** brought a petition of bankruptcy against the fliers, returnable Oct. 26.

However, Shell asked for the date to be extended another 15 days to give Spartan additional time.

"Spartan still has a lot of good business and we think it can be pulled through," one creditor told FP this week.

"It is a question of possible refinancing, with control of the company probably passing out of the hands of the present owners."

Announcement of plans is expected next week.

Imperial Inv. Net Up 16%

MONTREAL (Staff) — Net profit of **Imperial Investment Corp.** in first fiscal quarter, ended Sept. 30, was $305,248 (30c per common share) or 16.4% higher than $262,247 (28c on fewer shares) in corresponding 1958.

Total notes receivable of the finance company increased from $66.2 million June 30 to $70.4 million Sept. 30.

Company says steps in the recent quarter to increase charges to customers did not fully offset higher costs of obtaining borrowed funds.

In the fiscal year ended June 30, Imperial showed net profit of $1,011,429 compared with $954,063 the year before.

3 Mos. Ended Sept. 30:	1959 $	1958 $
Inc. earned	2,111,229	1,484,568
Less: Co. charges & cost of borrowing	1,614,744	1,202,345
Inc. taxes	177,707	202,827
Minority int.	13,530	14,149
Net profit	305,248	262,247

Profits Here?

A regular listing of latest studies by investment firms.

MOORE CORP. — Merrill Lynch, Pierce, Fenner & Smith, 11 Adelaide St. W., Toronto.

DOMINION BRIDGE CO.—Bathe & Co., 360 Bay St., Toronto.

FAMOUS PLAYERS CORP. — Bongard & Co., 25 Adelaide St. W., Toronto.

THE BOND MARKET — Cochran, Murray & Co., Dominion Bank Bldg., Toronto.

PROVO GAS PRODUCERS — Morgan & Co., 507 Place d'Armes, Montreal.

Paper, Paperboard Zip Should Bounce Profits

MONTREAL (Staff) — North America's amazing boom in demand for paper and paperboard is sending ripples of optimism through Canada's big $1,500 million industry.

The longer demand continues to fly high, the more optimism there will be.

So far, increased sales have done little more than maintain the average Canadian paper company's profit.

But if consumption continues to rise at anything approaching the rate so far this year, profits should bounce.

The Canadian industry has a fair amount of excess capacity in existence or in sight. This could handle new demand without great additional expenditure.

Meanwhile, tonnage figures for the first nine months look encouraging:

- **Canadian wood pulp** output was up 5.3% from last year.
- **Our big wood pulp** export business was up 11.8%.
- **Earlier,** it was reported that newsprint output was 3.1% higher and exports to the U. S. up 4.5% (FP, Oct. 24).
- **Paperboard** production was up 5.5%.
- **Wrapping paper** production—a significant indicator of the health of the consumer economy—was up 8.4%.
- **In the U. S.,** high-vaulting demand lifted total paper and board production 12.4%. Newsprint demand—largely filled by Canada—was up 7.4%.

How long will it all continue?

Much depends upon the state of the U. S. economy.

But there are many predictions that very strong paper and board demand will continue through 1960 at least.

Here are details of figures released this week by Canadian Pulp and Paper Association:

	SEPTEMBER 1959	SEPTEMBER 1958	Incr. %	FIRST NINE MONTHS 1959	FIRST NINE MONTHS 1958	Incr. %
	Tons			Tons		
Wood Pulp:						
Output	881,673	820,945	7.4	7,833,701	7,436,195	5.3
Use in Canada	683,932	632,963	8.1	6,018,328	5,775,418	4.2
Exports	203,644	197,136	3.3	1,805,025	1,614,592	11.8
Paperboard:						
Output	71,534	71,281	0.4	688,122	652,455	5.5
Use in Canada	66,873	66,577	0.4	626,124	588,983	6.3
Exports	6,293	5,759	9.3	48,998	56,914	13.9*
Wrapping Paper:						
Output	....	....	..	232,321	214,380	8.4
Use in Canada	....	....	..	203,418	193,762	5.0
Exports	....	....	..	28,207	21,194	33.1

*Declins.

Stock Dividends For Finance Co.

Commercial Finance Corp., Toronto, plans to increase authorized capital by creation of 200,000 $1 par non-cumulative redeemable preference shares.

The new shares will carry the right to a preferential dividend at rate of 2% per annum payable yearly. They will be redeemable at $1 per share at any time at option of company's directors and without the consent of shareholders.

Purpose of the new issue is to permit distribution of tax-free dividends to shareholders, President N. F. Petersen says.

Because of the limitations of the cash flow, this will not necessarily mean a tax-free dividend in addition to regular payments, but rather as a part of the regular dividend.

The presently authorized 20,000 npv shares (18,005 outstanding) will be reclassified as common shares.

Shareholders will meet in Toronto on Nov. 24 to consider the proposed changes.

A WORD TO CANADIAN BUSINESS MEN

Are you thinking of opening up a branch business in Europe? If so, please consult me. I can guide and advise you. I am a Canadian Professional Engineer of wide experience, registered in Ontario, resident in Switzerland in the heart of Europe, and am familiar with European industry.

D. HEPBURN, P.Eng.
26 Zwingerstrasse, Basel, Switzerland

Foreign Exchange Rates

Noon Value in Canada
Week Ended Nov. 3, 1959

	U.S. $	U.K. £
Wed.	94 20/32	2.65 7/16
Thurs.	94 22/32	2.65 14/16
Fri.	94 23/32	2.65 12/16
Mon.	94 21/32	2.65 7/16
Tues.	94 19/32	2.65 4/16
Ave.	94 21/32	2.65 44/80

U.S. rate reported by Bank of Canada.

U.K. bid rate reported by Toronto-Dominion Bank.

ANNOUNCEMENT

RONEO COMPANY OF CANADA LIMITED APPOINTMENT

T. P. GREGOR

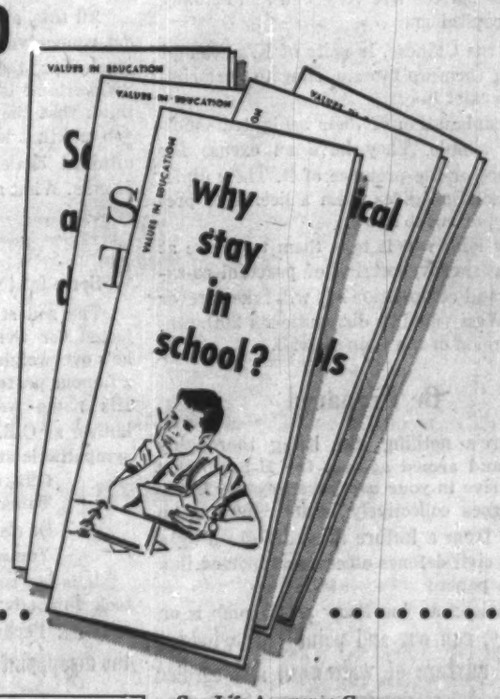
At a recent meeting of the Board of Directors of the Roneo Company of Canada Limited, T. P. Gregor was elected President, succeeding Sir Greville Maginness, K.B.E., who became Chairman of the Board. Mr. Gregor has been General Manager for the last two years and is a Director of the Company. Prior to joining Roneo, Mr. Gregor was associated with the steel products industry in Canada in an executive capacity. Mr. Gregor is also Director and President of Roneo Systems Incorporated (Philadelphia), the United States subsidiary of Roneo Limited, London, England.

Why stay in school?

EVERY TEEN-AGER capable of absorbing an education should stay at school until he graduates. The problem usually is to convince him *why* he should, because he does not realize how important an education is to his future. Generally he does not know that if he leaves school two or three years too soon, he will pay for those two or three years all the rest of his life.

Sun Life's leaflet WHY STAY IN SCHOOL puts this matter squarely up to the teen-ager, and explains the challenge and the tremendous promise which school offers him. If you have teen-age children, you should get a copy of this leaflet for them.

Issued as a public service by Sun Life Assurance Company of Canada, WHY STAY IN SCHOOL and other booklets in Sun Life's *Values In Education* Series are available without charge or obligation. Just use the coupon below.



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Please send me a copy of each of the Sun Life's new Educational booklets I have checked.

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- ☐ SCHOLARSHIPS AND BURSARIES
- ☐ WHAT YOU SHOULD KNOW ABOUT SCHOOL BOARDS
- ☐ WHAT ABOUT TECHNICAL AND TRADE SCHOOLS?
- ☐ SPORTS TIPS FOR TEEN-AGERS

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COAST TO COAST IN CANADA

SUN LIFE ASSURANCE COMPANY OF CANADA

No Room for Trenchermen

Before by-passing the low calorie lunch menu in favor of something more substantial, hear this:

"I can offer no obvious explanation of the mechanism whereby moderate overweight in combination with blood pressure of only the slightest upward departure from normal produces a mortality expectancy nearly twice the expected."

This comes from a massive U. S. actuarial study of blood pressure and body build as they affect mortality—and the conclusions will probably be applicable on this side of the border too.

The findings—which may well alter life insurance rates—will give pause to gourmet and gourmand alike. The death rate is 10% higher for men who tip the scales 20 lb. above average for their height and age. It shoots up to 25% for 25 lb. excess and up to 75% for those carrying around an extra 50 lb.

If you want to live to a healthy, happily irascible old age, the best thing to do is stay 15 lb. or 20 lb. underweight—if you can.

But there's a bright side to all this. You have an extra five pounds that won't have to come off, despite what the existing height-weight tables show. The new study will change the 30-year-old tables and allow the "average" man to weigh about five pounds more. (See p. 35.)

In addition, you can be comfortably overweight for a span without necessarily shortening your life. But you have to take it off sooner or later and the medicos say there's less of a gamble if you take it off sooner.

Desperate Remedy

The disclosure of "moral squalor in TV", as a censorious critic calls it, has driven some Americans to an extreme form of protest. Several U. S. writers have suggested, believe it or not, that what their country needs is "something like Britain's BBC".

In the past, American observers have given the BBC high marks for accurate news and sober comment but for very little else. In the entertainment field the BBC has been tagged as a stuffy purveyor of what the eggheads think the public ought to want.

Americans must be shaken to the core by rigged TV shows, and other kinds of broadcast faking, if they will seriously consider letting a state-subsidized enterprise into their radio and TV business. Yet it is indeed being proposed that an American version of the BBC, offering unsponsored music, plays, debate and maybe even parlor games, might be good competition for the private industry.

Canadians will be fascinated and maybe puzzled watchers of whatever "reforms" result from the TV scandal. It will be both ironical and sad if, just when the U. S. decides to tame the sponsors, our own CBC (modeled partly on the BBC) goes into the advertisement business with both feet and two arms swinging.

Our Chinese Wall

"Revolutionary struggles in the western capitalist countries are developing with each passing day."

This bit of fantasy from an article in Izvestia, the Moscow daily, sounds like Soviet propaganda from the Stalin era; but it wasn't written by a Russian. The author was Marshal Chen Yi, foreign minister at Peking. Presumably his copy got into Izvestia uncensored out of courtesy to an ally.

Khrushchov long ago gave up predicting Red revolution in western countries. Now that he has seen North America, he concedes that the "slaves" live very well and actually prefer capitalism.

But the Chinese, in spite of K.'s attempt to bring them up to date, cling to the primitive Marxist line.

The explanation of their benighted condition is simple. They have an excuse for ignorance or the pretence of it. Their diplomatic isolation gives them a license to prevaricate, or not to know.

How long will it take them to arrive at the Khrushchov doctrine of peaceful co-existence and competition? It will take forever if the West doesn't dismantle its 20th-century version of the Chinese wall.

Be Prepared

There's nothing like being thoroughly ready and armed against the H-bomb that may arrive in your backyard any day if the world goes collectively insane. Here is an extract from a lecture allegedly given by a British civil defence officer, as reported in a London paper:

"As soon as you know an H-bomb is on the way, run out and paint your windows with a mixture of whitewash and curdled milk to deflect dangerous rays. Soak your curtains and upholstery with a solution of borax and starch to prevent fire."

But what if the bomb lands and sets the curtains ablaze before these preparations are complete? In that case, there would be nothing for it but to bring out the family car and buzz off to the seaside for a breath of fresh air.

Why Verwoerd Likes the Club

A new and unexpected convert to the practical value of the Commonwealth is Dr. H. F. Verwoerd, successor to the late J. G. Strydom as Prime Minister of South Africa.

For some time the ruling Afrikaner politicians have been committed to setting up an independent republic outside the Commonwealth. Now Dr. Verwoerd is hedging. He reacted with pained surprise recently when British trade unionists, protesting against "apartheid", demanded that South Africa be "kicked out".

Dr. Verwoerd took this threat seriously enough to say that now is not the time to quit the team.

In separation South Africa might be lonely in world society. It's nothing but the British connection, to use the old-fashioned expression, that enables Dr. Verwoerd to keep up at least a semblance of good relations with India and the emerging Negro states like Ghana and Nigeria. It's within the Commonwealth that South Africa's quarrel with these countries might ultimately be resolved.

Canada entirely on its own would not be isolated in the same way. But Canada's unique friendship with India—Indians say it is unique—has bloomed in Commonwealth soil. This fraternal tie with an Asian country, the like of which the U. S. has, sadly, not achieved with billions in aid, is of the utmost value in a world divided into mutually suspicious "East" and "West".

Voteless in Arcady

The remarkable fact that Swiss women don't vote came to light last week when Switzerland held a national election.

Swiss elections are the quietest in the world; so are Swiss suffragettes. They are said to agitate but the prevailing tranquility evidently governs their tactics.

British suffragettes who fought for the vote 40 years ago chained themselves to lamp-posts, set fire to mailboxes and threw themselves in front of Derby winners. Nobody ever heard of a Swiss suffragette jumping off an Alp, blowing up a milk chocolate factory or even poisoning Neuchatel wine.

Perhaps the women of Switzerland can't put their hearts into this vote-getting business. After all, the Swiss have not been in a war for centuries. They run a trilingual, not just bilingual, country without coming to blows. Their franc stood firm while some other currencies became wallpaper.

All this, and peaceful elections too, without women voters; the paradox is almost too much for the human brain. But maybe Switzerland is one place where the women think that the men are doing a fairly good job and that woman's place is in the air-conditioned chalet with a nice view of Lac Leman. What a country!

Too Obese

Some fat teachers get off with a warning.

The sad story of the Ontario youth rejected for the teaching profession because he's overweight recalls a rhyme addressed to a famous professor at Cambridge University. His name was Oscar Browning, he was known as O.B. and he was extremely fat. A sympathetic student wrote:

O.B., o be obedient
To nature's stern decrees,
Or else by slow accretion
You will be two O.B.'s.

It is not recorded whether Dr. Browning took this advice, but he kept on lecturing anyway. Perhaps his example will comfort the disappointed Ontario youth.

A Shwell Convenshin

This pixilated proposal comes from a land steeped in the lore of whisky making, if not actually awash with the stuff itself:

"There are international conferences, congresses and conclaves—oh they are like the sands of the sea—for most of man's endeavors, enjoyments and art forms; except whisky. And we (the Whisky Distillers of Ireland) have often wondered why."

Why indeed? For those who know that there's whisky and then again there's whisky, what could be finer than to meet in congenial concourse to taste, compare, discuss and rejoice?

What about Toronto for the 1960 International Whisky Festival?

Our distillers obviously haven't set their sights high enough. Don't they think we could hannel ourshelves like gennulmen?

Post Scripts

Heads Auto Dealers

Spokesman for the automobile dealers of Canada for the next year will be S. J. Parkinson of Calgary. He succeeds W. Russell Newell of Montreal as president of the Federation of Automobile Dealers Association of Canada, having been elected at the annual meeting in Montreal last month.

Sam Parkinson was born in Newcastle, County Down, Northern Ireland. He came to Canada with his family towards the end of the great pre-first-war immigration wave in 1913. He was educated in Vancouver and his first job was with General Motors. Eventually he became western zone manager. In 1945 he purchased Imperial Motors Ltd., of Calgary and formed his present company, Calgary Motor Products Ltd.

Active in community affairs Parkinson has long been associated with the Alberta Motor Association, and is a member of the Board of Governors of Mount Royal College.

He is past president of the Kiwanis Club of downtown Calgary, and also served a term of office as lieutenant-governor of Kiwanis International.

He is past president of the Alberta Automobile Dealers Association and was treasurer of FADA last year.

A member of the Calgary Chamber of Commerce for the past nine years, he was vice-president in 1957 and president in 1958.

S. J. PARKINSON

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Heads Forestry Group

Hugh J. Hougins, vice-president timber, for Crown Zellerbach Canada Ltd., is new president of the Canadian Institute of Forestry. He was elected for a two-year term at the 51st annual meeting at Prince George, B.C.

In 1922-23, Hodgins started work in the district foresters' office of the B.C. Forest Service in Vancouver after one year at university. He subsequently had experience in sawmilling on the west coast, and returned to the University of British Columbia in 1924. During the summers, he gained further experience on surveys and cruising for the Forest Service.

In 1928, he graduated with honors in Applied Sciences from the University of B.C., specializing in forest engineering. He then rejoined the B.C. Forest Service in charge of cruising and forest survey parties.

In 1944 he moved to Pacific Mills Ltd. (now Crown Zellerbach Canada) as chief forester. In this position, he sat through the first Royal Commission on Forestry conducted by Chief Justice Gordon Sloan in 1944-45.

H. J. HODGINS

Ten years ago he started his own consulting practice. The same year, he represented Pacific Mills and the B.C. Pulp and Paper Co. as one of the Canadian delegates who studied forestry methods in Norway and Sweden for two months.

During the ensuing six years, he has consulted on several major forest projects in Canada, the U. S. and overseas. He has specialized in forest management.

During the second Royal Commission on Forest Resources of British Columbia conducted by Chief Justice Sloan, Hodgins had a reporting brief to some of the largest firms in B.C. and was forest counsel for Crown Zellerbach.

At the beginning of 1957, he joined the latter company as timber department manager and was named vice-president last year.

The personable, soft-spoken Hugh Hodgins has contributed much to the growth in status of forestry in Canada. He is a charter member of the Association of B.C. Foresters; past president of the Canadian Forestry Association, B.C. Division; and a member of the Empire Forestry Association.

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Drug Manufacturers

Heading one of the fastest growing industries in Canada for the next two years will be a tall, lean Englishman who moved to Canada only a dozen years ago. Elected president of the Canadian Pharmaceutical Manufacturers Association at its 45th annual meeting, Henry J. Brown is president and general manager of Burroughs Wellcome & Co. (Canada) Ltd.

Born and educated in London, England, he qualified as a pharmaceutical chemist at the Chelsea College of Pharmacy, University of London. For a few years he was in retail work but in 1931 joined the sales staff of Burroughs Wellcome. He moved up in various departments, ultimately becoming assistant director of distribution. In this post he was concerned with the world-wide distribution and he took a special interest in the Canadian subsidiary. In 1947 he came to Canada as general manager of the 53-year-old Canadian company in Montreal, and in 1954, when he was 47, he was appointed president.

The future of the pharmaceutical manufacturing industry in Canada, Brown believes, is limited only by the imagination of the men heading it. "It is a growth industry," he said. "Only a few years ago the industry's annual sales were no more than its present annual wage bill. People today are looking to the industry for not only drugs and preparations to cure disease and alleviate suffering, but also for preventative medicines, such as vaccines and serums. Our companies, both individually and collectively, are making substantial grants to research centres in medical schools and hospitals for research and development."

Henry Brown lives in the Montreal suburb of Beaurepaire and is married to the former May Lacey of London. The family comprises two boys and a girl. Hobbies are listed as gardening and carpentry work.

• • •

Heads Credit Group

First Canadian to hold the post of president of the American Petroleum Credit Association is William John Habkirk, 51, manager of British American Oil's credit department for the past 13 years.

APCA, formed 35 years ago to promote and encourage the exchange of ideas, credit information and subjects of interest to the petroleum industry, elected Mr. Habkirk at its annual conference in Minneapolis.

Today, the association includes among its members 115 companies of which 11 are Canadian. Following his election Mr. Habkirk stated that there is great scope for increasing membership in Canada.

Born at Moose Jaw on January 8, 1908, Mr. Habkirk received his formal and secondary school education in Winnipeg where he also first joined B-A in 1926. Since then he has held a number of important posts in the company's credit department both in Winnipeg and Regina before being transferred to Toronto in 1946.

During the Second World War, Mr. Habkirk was a bandmaster in the Canadian Army, with the rank of Warrant Officer First Class. He has retained his interest in music and remains active in this field.

He shares his credit experience with others by lecturing during the winter months at the Small Business Management Course of the Board of Education for the township of North York.

Mr. Habkirk and his wife live in Downsview, a suburb north of Toronto. They have a son and two daughters.

W. J. HABKIRK

What Others Are Saying

Tawdry Entrance to Canada

Montreal Gazette

Knowing that a properly-designed and properly-run airport terminal can make money might move Montrealers to put their determined feet down about the comic tragedy of the "new" terminal at Dorval.

During the seven years since this terminal was first promised this city, other terminals, in other cities around the world, have been planned, built, put in operation and expanded. Montreal, the gateway to Canada, still operates a terminal so small that the benches have had to be removed to make standing room for the passengers.

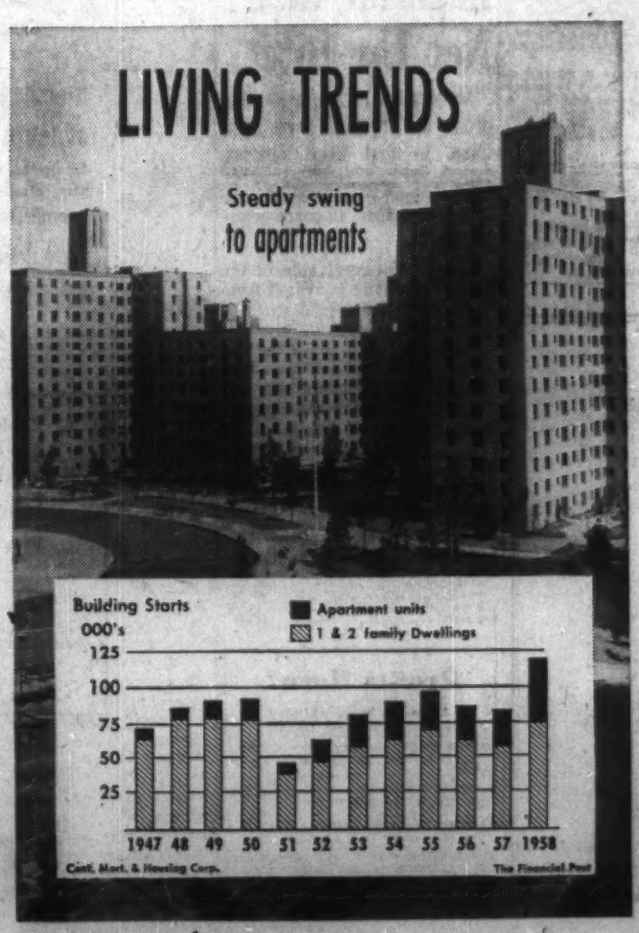
Ottawa has no special interest in making Montreal Canada's major air terminal. Toronto is very anxious to take Montreal's place in world aviation. If Montreal doesn't take a hand in this on its own, Toronto may win this distinction.

This city can only be ashamed of the airport facilities which greet any visitor coming here by air.

WE HOPE THE CBC will not listen too much to Mrs. Aitken's armchair critics, says the **Ottawa Citizen**, which adds: "The CBC was set up in business in the first instance not necessarily to give the Canadian listener what he wanted so much as to provide a national radio service of high quality with something designed to appeal to all sections and segments of the nation. It was designed also to foster and help develop their nebulous something called 'Canadianism.'"

THE WIDENING GAP between what Canada imports and what it exports should be a warning that we are in danger of pricing ourselves out of world markets, asserts the **Victoria Colonist.** "What this means is that the Dominion cannot pay its own way in the exchange of goods, and would be in real trouble if it were not for the investment capital which continues to flow into the country. In the face of this (labor) unions in every line of endeavor continue to press for higher and higher wages, the effect of which can only be to make it harder than ever for Canada to compete with other exporting nations all too eager to take over trade which hitherto has belonged to the Dominion."

BANNING OF NUCLEAR weapons is not enough to assure peace, declares the **Winnipeg Tribune.** "International conventions banning the use of poison gas and bacteriological weapons did not prevent the horrors of the so-called conventional 1939-1945 World War. To be realistic and acceptable, disarmament must be extended not only to nuclear but also to conventional weapons. Moreover, from the beginning there must be effective inspection. These must be the two main goals and, in spite of past failures, the benefits they would bring mankind make them worth an all-out effort."



Napier Moore's Scratch Pad

THE EARL'S COURT AUTO SHOW was the biggest jam of humanity I've been in for years. I am still bruised.

A Bobby informed me that all day long the turnstiles had been clicking at the rate of 10,000 people every hour.

There were cars from 10 countries, including, for the first time, Russia. The dense crush was around the USSR model, Moskvitch, not much different in design from that of familiar makes.

The newest designs of the British, French, Italian and German cars, particularly the small ones, will, methinks give the U. S. manufacturers a good deal to think about.

As for prices, purchase tax continues to add a jolt. Cheapest car in the show is the new Ford Popular at a basic price in dollar equivalent of about $975. Plus more than $400 tax.

Most costly, the Rolls-Royce touring limousine. Basic price around $18,000. Tax, $7,500. While I was staring at it a beturbanned East Indian was making a very close inspection of this chariot.

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WHILE ON THE SUBJECT of cars, a few weeks ago I recounted how an escaped lion in a German town leaped onto the roof of a passing car driven by a professor, swished its tail through the window and broke the professor's glasses. He had difficulty persuading the police to believe that the reason he had run into a lamp post was that a lion's tail had broken his specs.

In Northumberland the other day, I met a man whose brother had had a similar experience. Driving a baby Austin, he got behind a circus on the move. Bringing up the rear were the elephants. The parade was halted by a traffic light. The last elephant looked round. Then it deliberately backed and sat on the Austin's hood, pulverizing it. The trainer bustled up with his hook and got the elephant up. He apologized profusely to my friend's brother, took his name and address, and said that, of course, the circus would pay for the damage. "You see," he said, "in our act that elephant is trained to sit down on a blue tub. Your car is blue."

The engine still functioning, the driver got going and stopped at the first police station to report the mishap. The police looked at the crushed bonnet and enquired what had occurred. Said the driver, "An elephant sat on it." Now, I ask you, if you were a country policeman in Northern England, what would you think?

Present when the story was told to me was a sergeant of the County Police. What he said was, "Actually, you know, it wasn't a reportable accident."

• • •

TO GO BACK to the Motor Show, four Daimler cars worth about $27,000 arrived at Earl's Court 24 hours late and missed the preview. Coming from Coventry on a chartered train, they had been lost for three days. Twelve hours after they were due at Earl's Court, British Railways confessed to agitated Daimler officials that they had just disappeared. Finally, the missing train was found in a siding in Oxfordshire.

• • •

FRANKLY, I am rather loath to leave England. Following an unprecedented warm and sunny summer, autumn is like spring. There has been snow in the Cairngorms of the Scottish Highlands, but in the garden of the cottage in which we have been dwelling, there's a spring crocus blooming. Our one-day gardener says it ain't right, but it is very pleasant.

Stop Me If . . .

With students back at university again, motorists should keep an eye out for a new hazard—elderly fathers whose reflexes aren't what they used to be. They're walking again now that their cars are back on the campus.

• • •

He had been courting the girl for ten years, calling on her every Wednesday and Saturday night. "Why," someone asked him, "don't you marry her?"

"If I did," he answered, "I wouldn't have anywhere to go those evenings."

• • •

Teacher—"Johnny, what is a cannibal?"
Johnny—"I don't know."
Teacher—"Well, if you ate your father and mother, what would you be?"
Johnny—"I'd be an orphan."

• • •

A secretary in an advertising firm went home from work somewhat dejected the other day. Her husband asked her why the forlorn appearance, and she replied:

"Well, the boss bawled me out today."

"What for?" asked her husband.

"Well, he caught me down on my knees praying for a raise, so he bawled me out. He said he didn't object to giving me the extra money, but he did object to my going over his head."

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How a Nonsense Niagara Swept Alberta

New book describes Social Credit's hysterical ride to power . . .

By J. B. McGEACHY

IF CLEOPATRA'S nose had been shorter, said the philosopher Pascal, history would have been different.

Pascal was not so sure of that as I am sure that if the English actor Maurice Colbourne hadn't come to Canada in 1928 to put on Shaw plays, the Social Credit party would not have been born and the world would never have heard of Wm. Aberhart.

My own accessory role in the Colbourne - to - Aberhart-to-power story I shall here unveil for the first time. Enough years have rolled by to ease the pangs of remorse, and I find an excuse for confession, as well as confirmation of my guilt, in a new Canadian book: "The Social Credit Movement in Alberta" by Prof. John A. Irving of Toronto, a scholarly study of Canada's worst case of mass hallucination and hysteria.

It takes the story up to the summer day in 1935 when Bible Bill, by winning an election, became the first Social Credit premier on earth. To students of Canadian democracy I warmly commend Irving's account of the man's personal rise and conquest of the electorate, a thorough and definitive job of research.

It's a cautionary tale, pathetic and hilarious, but also frightening because what happened to Alberta in 1932-35 could happen again somewhere else, given the same fortuitous combination of hard times, religious fanaticism, sexual scandal and a prophet of pseudo - Mosaic dimensions.

In the mid-1920s, to get my own story off my chest and conscience, the works of Major C. H. Douglas, a Scottish motor-boat designer, became an intellectual fad in Western Canada.

Douglas preached that the wicked bankers were preventing enjoyment of abundance, which technical progress had made possible, by restricting the flow of money. As he was reputedly very hard to understand — his followers reckoned him an Einstein among economists — his theory snared many youthful eggheads.

I was one of the earnest students. Though I never trod the sawdust path to conversion, I took pleasure in belonging, as I thought, to a coterie that knew what Douglas was driving at.

At that time, traveling companies still brought live drama to Canadian audiences from coast to coast. Greatly daring, a London group made the safari several times in the 1920s, offering a Shavian repertory. I met and got to know their star, Maurice Colbourne. Let me introduce this unsung maker of Canadian history.

An attractive and brilliant Englishman of the Byronic or Rupert Brooke type, he was subject to intense intellectual passions; and when so seized he would write a book. In this way, I believe, he had covered religion, art and the theatre; but in 1928 he was hipped on Douglas and had just published "Unemployment or War", a popular, thrilling, told - to - the - children version of Social Credit.

I asked him what Shaw thought of Douglasism. (He knew Shaw well.) "St. Bernard," Colbourne replied, "doesn't understand. He just says 'you can't eat credit' and thinks he has disposed of the theory." (Perhaps he had.)

When Colbourne asked if there might be a sale for his book in the West, I put him in touch with Frank Eliason of the United Farmers.

The result was an order for several dozen of "Unemployment or War" for the mobile libraries that carried learning across the great plains. Just four years later, one of these copies reached William Aberhart of Calgary, then well-known locally as a millennialist lay preacher.

Aberhart read it and cried "eureka"; and so began a political story that, heaven help me, hasn't ended yet. If only I hadn't met Colbourne, if only I had skated round economics in our talk, if only Cleopatra's nose had been shorter, the country would have been saved a lot of argument — but also, I console myself, would have missed a lot of fun.

J. B. McGEACHY

"It could happen again somewhere else, given the same fortuitous combination of hard times, religious fanaticism, sexual scandal and a prophet of pseudo-Mosaic dimensions."

Irving tells how Aberhart, born in a small Ontario town, went West to teach school with an extra-mural degree that was his lifelong pride and joy. He was always "Wm. Aberhart, B.A.," in the phone book, in his pamphlets, on election posters and, unless someone has been very negligent, on his tombstone.

His subject was arithmetic and he taught it by rote. I would give him marks for that. But Aberhart was a harsh teacher, intolerant, authoritarian and sometimes physically rough. These unpleasant qualities were self-evident to the naked eye in the later prophet.

In his religion he was a fundamentalist. He called philosophy "fool-osophy". As a school principal he forbade the teaching of evolution. In his pulpit he went in for predictions of the world's end. His vehement, rhetorical style was highly effective with simple souls though his grammar was worse than shaky.

Sex and the great depression were factors in his capture of power.

Irving has collected a dossier of statements from Albertans on why they voted Social Credit in 1935. Many mention their poverty and one sums it up: "Pigs, $3 each; oats, 8c a bushel; wheat, 35c; eggs, 5c a dozen". The crop-dependent people of Alberta, not yet oil-rich, were in a desperate plight and ready to try anything once.

They were also, from 1933 on, in a state of moral shock because their UFA premier had been sued and nicked heavy damages for seducing a stenographer. This famous and unusual case ("seduction" is a rare charge in court annals) later gave Aberhart and his friends an excuse for saying that Alberta was run by "philanderers" and "fornicators". Meanwhile, the good people of the province burned with indignation at the sins of their elected chief.

Here was a state of affairs made to order for a demagogue; but Aberhart had no political ambitions, or ideas, until he saw that fatal book. As Irving tells it, a man named Scarborough tried repeatedly, but in vain, to interest the preacher in Douglas' works; Aberhart found them incomprehensible and declared that Douglas was crazy.

Chancing "one more try", says Irving, Scarborough offered "something simpler". It was (mea culpa) Colbourne's "Unemployment or War". Entranced, Aberhart sat up all night reading it. "As the summer sun rose over the prairies" he laid down the book convinced that "Social Credit was exactly what the people of Alberta needed". It was exactly what Aberhart needed anyway.

Having heard him on the stump, read his pamphlets and talked with him more than once, I am sure that he relied on Colbourne entirely and never read through, let alone understood, Douglas, his ideological master. So what? Perhaps Khrushchov has not read Marx. My point is that Aberhart in his ignorance made Douglasism, which was at least pseudo-scientific, look sillier than perhaps was necessary.

Unsound though Douglas was, mad though be became, it took mental labor, with at least a glimpse of higher accountancy, to see through his intricate analysis. To figure out just how to apply it at any time or place, supposing it feasible, called for an elaborate statistical survey to begin with. But Aberhart skipped that and, slapdash, turned the doctrine into an ear-tickling, heart-warming, vote-getting, super-colossal slogan: "$25 a month for everybody".

It was as if a professed expert on relativity had explained it thus to a five-year-old: "Einstein, you see, has exploded the Newtonian physics; consequently, the law of gravitation is no longer in force. If you jump off that house, you won't hurt yourself". Unlike Einstein, Douglas was wrong; but Aberhart compounded error with simplicity.

This didn't hurt him in the least. He began propagating the new-found gospel from his Calgary radio station, it took the public by storm and presently he was leading a political party in an election campaign. As an eye-witness, I shall never forget that fandango of fallacy, that Niagara of nonsense.

To the righeous, bear in mind, Aberhart figured preeminently as a man of God. "His life in Alberta was the fulfilment of a divine plan". "God picked Mr. Aberhart". These are followers' opinions quoted by Irving.

Abe the preacher and father-figure was easy to keep in focus. It was harder to remember, when listening to him, that this barely literate man, with his massive bald head, his nose-glasses and his B.A., represented to the deluded faithful not only the heavenly powers but the great world of erudition. Unbelievers were thus not only irreverent but disrespectful of learning. The few rational people on the Alberta scene at the time, including deans of law and such riff-raff, had the odd experience of being scorned and brushed off as mental defectives.

Doubters, indeed, had no chance of a hearing in that Alice - in - Wonderland summer of 1935. Social Crediters broke up opponents' meetings with the ferocious zeal of Cromwell's Puritans silencing church music. Not content to make a noise inside the hall, they would congregate outside it, blow motor horns and beat on doors and windows until the sweating orators on the platform had to give up.

The hysteria of the hour split communities and parted neighbors. In church, Social Crediters sat on one side and infidels on the other. Gerry McGeer, mayor of Vancouver, arriving by plane to help a Liberal candidate, landed in a field near the meeting-place. "Get off," shouted the angry farmer, "this is a Social Credit field." McGeer had to re-embark and find a better 'ole.

Acted plays were a favored device at Social Credit shindigs. In one of these the "Man from Mars" (a part sometimes taken by the prophet himself) appeared in celestial cheesecloth to inquire why the Douglas theory, presumably in full swing on his own planet, had not yet been adopted by the foolish earthlings. Villains in this thriller included Mr. Kant B. Dunn and Mr. C. C. Heifer.

Doctrinal dramas illustrated the power of a small bit of money to get debts paid and business done. I witnessed one in which a $5 cheque, possibly rubber, passed from hand to hand.

Pat and Mike got into the act as saloon-keepers with a barrel of beer each but only 10c between them. Business was poor. Pat, who had the dime, decided to spend it on a glass of Mike's beer. Mike returned the compliment. Pat came back with the same coin for a second swig. By the end of the day both barrels were dry and either Pat or Mike, whichever was on his feet, still had the dime. Wonderful! One-tenth of a dollar had bought two kegs of beer; nobody asked whether it would re-fill the empties.

Aberhart's dramatic works, always greeted with ecstatic whoops, were intended to prove his main argument. It was going to take $10 million to pay the first $25 to all Alberta adults; and the prophet said that mere circulation would bring this "credit" back to each citizen twelve times a year. Believe it or not, the faithful didn't notice that, in order to re-distribute the dole as NEW money every 30 days, the government would have to recover it each month — by the painful process called taxation.

As I am sure that even Abe could spot this fallacy, I must sadly put him down as a pious fraud.

A sub-plot in the comedy was the running argument between Aberhart and Douglas who visited Canada several times to spread the true light. "The hostile press," Irving writes, "tried to use everything either said about the other to promote a quarrel between them."

Maybe so; but there was no need to invent provocative remarks. After the 1935 election Douglas came out from England to advise the winners. I asked him how he stood with Father William and he replied:

"Aberhart has done his part well. He has blown the trumpet, beaten the drum and persuaded the people to make an emotional decision. But of course he doesn't know anything about Social Credit; he doesn't need to know. So now he steps aside and lets the experts take over."

"Meaning yourself?" I inquired. "Exactly," said Douglas.

This was printed and I don't suppose it made the two men feel any more like David and Jonathan than they had felt before; but that was hardly my fault.

Social Credit's subsequent debacle is a later chapter. Irving's narrative ends with the smashing electoral victory—56 out of 63 legislative seats. There were hosannas, as he reports, for "Aberhart our savior" and on the air the prophet was heard to quote: "Fear not, for I am with thee."

Twenty-four years later the Social Crediters are still in power. But the same province now is so filthy rich — to quote a local brewer — with real money that it needs the funny kind as badly as China needs more people, an irony of history if history ever does make ironic jokes.

I don't know the moral to this story with a happy ending but I can think of a good question: Who says Canadian politics are dull?

THE SOCIAL CREDIT MOVEMENT IN ALBERTA, by John A. Irving. University of Toronto Press. 369 pp. $6.

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Quebec Securities Commission Upheld in Gregory Decision

MONTREAL (Staff) — The Quebec Securities Commission has scored a victory in its attempt to prosecute former Montreal stockbrokerage firm **Gregory & Co.** for alleged violations of the Quebec Securities Act.

In Superior Court last week Mr. Justice Arthur L. Smith rejected an application for a writ of prohibition brought on behalf of the Gregory firm, which sought to bar prosecution for the alleged violations.

Unless appealed to Court of Queen's Bench within the next 30 days, dismissal of the application paves the way for resumption of the Gregory trial which began in Court of Sessions two years ago (**FP, Nov. 30, 1957**).

The original case against Gregory & Co. arose out of charges that the defendant company circulated financial information without a license. A number of other related charges are also pending.

Prosecution in the first case was halted in 1957 when Gregory & Co. challenged the constitutionality of the Quebec Securities Act inasmuch as it applied to trading beyond the borders of the Province of Quebec.

In his decision, Mr. Justice Smith found that this contention "appeared to be an afterthought" which "is in any event unfounded".

"Mother and baby doing fine"

Wonderful progress has been made in protecting the lives of mothers and babies—thanks to excellent prenatal care and improved obstetrical techniques.

Equally important, some 91 percent of today's babies are born in our hospitals—where most birth emergencies can be handled promptly and effectively.

Information for expectant mothers: If your general health is good—if you have no family history of diabetes, kidney, heart or other serious diseases—the chances are excellent that no major complications will occur before your baby's arrival.

For your own and your baby's welfare, however, your physician may suggest these safeguards:

1. Eat a variety of foods. Your baby will be no stronger or sturdier than the building materials your diet provides. For you and your baby, a *varied* diet is best.

It should include a quart of milk daily to meet the baby's needs for calcium. Meat, fish, fruits, vegetables, at least one egg a day, bread, cereals and a moderate amount of butter are recommended.

2. Watch your weight. Too much weight strains the heart and other organs. Normal increase is around 16 to 20 pounds. Your doctor will decide how much you should gain.

3. Get needed rest and exercise. Walking is one of the best exercises and it's usually all right to play golf and dance in the middle months of pregnancy.

Get plenty of sleep and at least an hour of relaxation every afternoon.

4. Keep in touch with your doctor. No serious problem develops during pregnancy without a warning signal. Your doctor can foresee and act to avoid difficulties—if he's consulted early and as often as necessary.

5. Take care of your teeth. Have your dentist clean your teeth and do whatever repair work is necessary. Good daily care of the teeth is important during pregnancy.

6. Make your hospital reservation early. The maternity wards of most hospitals are crowded nowadays. The sooner you make your reservation, the better.

Take a calm, happy, confident attitude toward pregnancy. It is, after all, a natural event and a proper frame of mind helps to encourage an easy delivery.

Never before has there been a year like 1959—when birth is so free of risk, so likely to turn out happily for you, your baby and your husband.

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Saskatchewan Oil Demands Increase

From Our Own Correspondent

REGINA — Production is increasing in Saskatchewan's oil industry.

Nominations by 10 refineries for crude in November total 145,860 bbl. a day for a gain of 6,400 bbl. daily over the previous month.

This is disclosed in the current nominations report of the provincial department of mineral resources.

The total is made up of nominations for 74,160 bbl. a day of light gravity crude; 64,200 bbl. of medium gravity and 7,500 bbl. of heavy gravity.

This reflects a gain for November of 8,400 bbl. in the demand for medium gravity crude.

Nominations for light gravity are down 1,600 bbl. daily and for heavy crude down 400 bbl.

Responsible for the pickup of demand for medium gravity are **British American Oil's** Clarkson refinery, **Consumer's Co-op** refinery in Regina and **Northwestern Refining Co.** at St. Paul Park, Minn.

Watch for January Action On Big Gas Exports Plan

(CONTINUED FROM P. 1)

company's agreeing to go ahead on the rate-of-return permitted by FPC.

It's expected that Midwestern Gas will take a large portion of its contracted gas purchases right from the start — probably up to 85% of the total 204 million cu. ft. daily.

This will probably move up to 100% in the second year of pipeline operation.

This export business could have a tremendous impact on Trans-Canada and the whole natural gas development program in western Canada.

It will improve the over-all efficiency of Trans-Canada's service and lower — or at least maintain — gas cost to Canadian customers.

A top Trans-Canada official estimates the extra business will mean about 50c a share in additional earnings to the company.

It could move the company just into the black in 1961 — almost certainly in 1962.

Trans-Canada's gas throughput is now averaging about 300 million cu. ft. daily and will exceed 350 million by the end of this year.

The gas load in Eastern Canada is expected to reach the stage in late 1961 or early 1962 when it will be to company's advantage to purchase the Northern Ontario section of the line now owned by a Crown corporation.

In other words, by that time revenue from eastern business should start to exceed comfortably pipeline rental charges plus estimated interest charges incurred on additional debt necessary to purchase the $130 million, 675-mi. section.

Midwestern Gas Transmission also has an option to purchase a second 204 million cu. ft. of gas daily from Trans-Canada.

It's expected that in time the U. S. firm will be interested in firming this contract. But neither side is believed to have started even talking tentative terms on such a contract.

Trans-Canada's next export drive will likely be into New York State.

Company is expected to soon seek permission to export surplus gas into the New York State pipeline system of **Tennessee Gas Transmission** via the existing pipeline system to Niagara Falls, Ont.

Permission would be sought to export gas only on those days when there happened to be a substantial surplus available over Canadian requirements.

ANNOUNCEMENT

ANOTHER FIRST FOR CANADIAN AVIATION

D. V. Dickie, right, manager of Maclean-Hunter's CANADIAN AVIATION magazine, presents the aviation publication's mystery columnist "Veni Vidi" with the plaque symbolizing first place honors among aviation writing awards sponsored by the Air Industries and Transport Association of Canada and the Canadian Branch of the Aviation Writers Association. The award was presented for the monthly column "Current & Candid" which was judged the year's top aviation writing effort in the category for trade and technical magazines. CANADIAN AVIATION and its writing team have been consistent winners in the annual awards.

Your Lighting up to Snuff For the Christmas Season?

(CONTINUED FROM P. 1)

these tiny bulbs broaden the scope of indoor decorating.

For example, mirrors, mantels, tablecloths, can be tastefully decorated with them.

▸ **Outside your home:** Now available is a transparent lamp in a full range of colors in which the filament is visible. The effect: More sparkle than a standard lamp.

▸ **A line of really big decorative items,** specifically for commercial, and industrial, and street lighting applications.

Included: An 8-ft. candy cane, 12-ft. candle, huge Santa Claus — altogether about 100 "giant size" items.

Another new twist: A completely new concept, it's claimed, in decorative lighting, loosely referred to as a "fantasy in lights".

It consists of some Yuletide decorative item, about 3 ft. to 4 ft. high, made of clear plastic, hollow in the centre.

It's filled with shredded aluminum foil.

Around this are arranged the new transparent lamps in assorted colors. Running in sequence, they throw off a spectrum or rainbow effect which is said to be unusual and striking.

Big manufacturers in the fast-growing decorative lighting field so far are Noma Lites Canada Ltd., **Beck Electric Manufacturing Co.,** and **Noel Lighting,** all in Toronto, and **Universal Electric,** Montreal.

Noma has a subsidiary, **Noma Displays Ltd.,** which installs, dismantles and stores heavy commercial-industrial specialty lighting displays. Lighter displays are usually handled by jobbers.

More businesses are buying an original display and adding to it each year or simply re-arranging its parts for a fresh effect.

Usually, lighting men try to submit preliminary sketches to prospective buyers in the summer months or sooner. It sometimes takes three to four months to get a final okay.

Signing of lighting contracts really picks in September, with October the big month.

For retail stores in downtown areas, selling season for Yuletide lighting starts this week.

Lighting men figure that once they make a sale to a big business in a neighborhood, other sales automatically follow and grow each year.

Industries, like homeowners, follow the old pattern of "keeping up with the Joneses." This will keep on pushing sales of Christmas lighting equipment for a long, long time.

Maritime Businessmen Have Foot in Door to the North

(CONTINUED FROM P. 1)

ness represents goods transshipped at Moncton, the distribution hub of the Maritimes, company says it is handling an increasing amount of cargo from Maritime sources.

This it attributes largely to the success of the spring trip, when 32 businessmen — determined to get into this growing market and stay there — made a flying trip to Goose Bay, Frobisher and Stephenville aboard an MCA DC-4 (**FP,** May 2).

On the trip some $250,000 of immediate business was developed, largely for beer, food and fuel tanks. This type of business has been maintained.

Example: The M/V Fauvette on its Oct. 10 trip out of Halifax carried 119,140 lb. of beer in its cargo.

MCA's busiest cargo run is Moncton to Goose Bay. The Goose-Gander-Torbay leg ranks next in importance. New this year and already justifying its introduction is the Goose-Stephenville schedule.

Since the Maritime air carrier put a Viscount on its Goose-Gander-Torbay flights in summer, passenger traffic has doubled.

About half the passengers are commercial salesmen serving the northern market, according to MCA.

Company is now considering weekly cargo flights to the Caribbean, long a traditional market for Maritime producers, as well as mixed flights to Seven Islands.

MCA and APEC figures indicate the Atlantic region has penetrated only 5% of the available market to the North although it is the closest source of supply and has the advantage of lower transportation costs.

Of $42 million of trade items going annually into the Goose Bay - Frobisher - Stephenville area, Atlanitc firms have supplied only $2 million. Of the $8 million in foodstuffs they have supplied only $1 million.

There has been improvement in food shipments this year.

While dollar figures are not available, manifests of the M/V Fauvette show more than 2,000,000 lb. of fresh food products and more than 250,000 lb. of frozen food products were carried this summer.

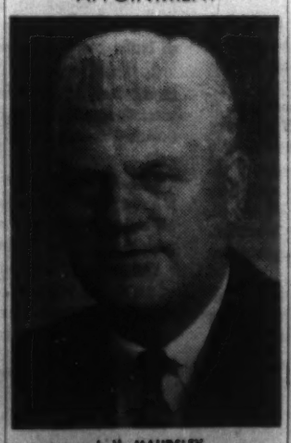
Cargo on the last trip included 21,240 lb. of Nova Scotia fruits and vegetables and 6,000 lb. of Prince Edward Island potatoes.

Today 50 Maritime suppliers and 60 firms from other provinces are doing business in the north.

Three years ago only eight Maritime firms and 25 from other provinces served the area.

ANNOUNCEMENT

CANADIAN SCHENLEY LTD. APPOINTMENT



J. H. MAUDSLEY

Mr. J. H. Maudsley has been appointed General Manager, Import Division, Canadian Schenley Ltd. His office will be located at the Company's head office in Montreal as announced today by George D. Kuhn, Director of Marketing.

Minority Asks For Meeting On C & D

MONTREAL (Staff)—A move by the world's largest sugar refiner—**Tate & Lyle Ltd.** of the U. K.—to acquire majority control of **Canada & Dominion Sugar Co.** (**FP,** Oct. 31) may be running into obstacles.

At midweek a group of dissident Canada & Dominion shareholders were seeking to force a special general meeting at which all aspects of Tate & Lyle's bid for control and its acceptance and approval by the C & D board could be aired.

The dissidents are headed by Montreal lawyer Guy Drummond, Eric Reford, shipping company executive and president of **Mount Royal Rice Mills Ltd.,** and H. J. Daly, also of Montreal.

Leaders of the dissidents told **FP** they expected "momentarily" to have approval from holders of the 10% of C & D's common stock needed to requisition the special general meeting under the Companies Act. Once the requisition is presented, the company has 21 days in which to call a meeting.

The big question now is whether the Tate & Lyle offer to acquire half the outstanding C & D stock at $25 per share will be extended beyond the present Nov. 12 deadline.

If it is not, there is the possibility that take-over by Tate & Lyle could become an accomplished fact before any meeting is held.

Triarch Corp., which made the offer on behalf of Tate & Lyle, stated this week that the U. K. sugar firm "does not propose to vary the terms of the offer now in the hands of Canada & Dominion Sugar shareholders, from whom an encouraging response has already been received".

This does not shut out the possibility of an extension of the offer.

On the other hand, if the number of shares it wants are turned in by Nov. 12, it is unlikely that the deadline would be extended.

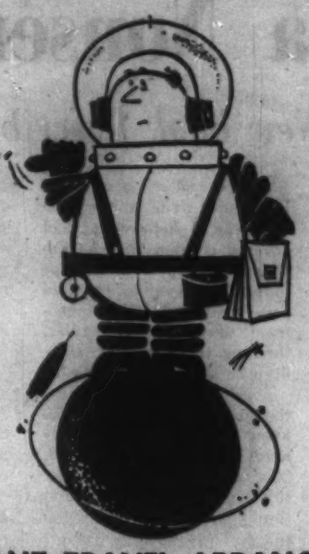
(The offer is for a maximum of 676,435 and a minimum of 593,370 shares, with discretion to Triarch to vary the minimum.)

Officials of the dissident shareholders' committee told FP they would consider it "highly improper" if deadline for the offer were not moved back to permit prior holding of the special meeting.

The committee was organized after Drummond and Reford failed in efforts to have Tate & Lyle delay its deadline until Nov. 30.

SMALLPOX IN DECLINE

Smallpox cases reported in the Americas dropped four fold during the past decade, according to the Pan American Health Organization. While 18,352 cases were recorded in the Americas during 1949, only 4,311 were reported last year. Seven American nations, Canada included, reported no cases.



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IMPORTANT NOTICE TO THE SHAREHOLDERS OF CANADA AND DOMINION SUGAR COMPANY LIMITED

1. We ask for the support of shareholders of C & D Sugar, because we feel that the offer of Tate & Lyle Limited requires fuller explanations and study before acceptance.
2. The offer of $25 a share for one half your shares may seem adequate, *but* only in relation to current operations rather than future prospects.

   Absolute control of the Company will pass out of Canada, with all the disadvantages that implies for your remaining investment in the Company.
3. We want to know why the Directors approve the offer at this time and why it is necessary to surrender control to Tate & Lyle in order to retain their knowledge and skill?
4. Canada and Dominion Sugar Company has a Canadian history going back to 1854 — older than Canada itself. Must this be sacrificed?
5. We have taken steps to requisition a Special General Meeting of Shareholders where we will seek a complete review of the circumstances surrounding the offer.

The Committee believe that if control of the Company must pass into other than Canadian hands then their objective will be to secure more advantageous terms and better protection for the remaining shareholders.

Alternatively, if control remains in Canada, then this Committee believes a revision of the Company's management will be in order.

Shareholders are urged to support us and get in touch with Committee members in care of Mr. A. M. Dow, 221 St. Sacrament Street, Montreal, telephone VICTOR 5-5201.

GUY M. DRUMMOND ERIC REFORD H. J. DALY
for the
SHAREHOLDERS COMMITTEE

Gruneau group of research companies moves to . . .

NEW HEADQUARTERS

RESEARCH HOUSE
at 861 Broadview Avenue, Toronto

Gruneau Research Limited, and Associated Companies have moved into a new headquarters designated Research House, 861 Broadview Avenue, Toronto, Ontario.

In announcing the move, V. C. Gruneau, President, states:

"Research House was designed and built to the requirements of the companies associated with Gruneau Research Limited. Throughout its planning the basic idea was to create a centre which would be truly a Research House wherein all our types of research can be efficiently and effectively conducted and correlated. We are confident we have achieved our objective."

"With the new structure we have been able to add the most modern equipment for compilation and execution of professional research", states Mr. Gruneau. "Although we have been proud of our service in the past, we are now able to provide an improved one."

Companies included in the Gruneau Research Limited and Associated Companies and located in Research House are:—

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The Outlook

(CONTINUED FROM P. 1)

Manitoba, for example, job applicants a few weeks ago were 27% below year-before totals.

In part, this change reflects the over-all sweep of business expansion. Inventory build-up, expansion projects and steadily rising sales in most industries are finally creating more job opportunities and promise to reduce unemployment below the "crisis" levels of the past few years.

It has been a slow process, say business analysts, because better facilities and more efficient techniques introduced during the past couple of years meant that production could be increased in the early part of the business revival without comparable increases in employment.

There are other reasons, too. For one thing, immigration has been lower over the past couple of years with the result that the labor force is growing more slowly than in the past. This has made a big difference to the number of job seekers when business activity wasn't expanding fast enough to create labor shortages. And it will make an even bigger difference this winter when seasonal unemployment begins to bite in.

In addition, the federal government's special winter works projects have helped take the worst of the sting out of seasonal unemployment and may well provide again another 40,000 or so jobs at the height of the coming winter's unemployment.

The drive by industry and government to encourage winter construction is also paying off. **Total construction activity this winter, for example, is likely to be every bit as big as last year's —despite the cut-off of direct CMHC lending to house-builders.**

Enough direct loans have been made now to ensure that the carryover of housing will be as large as last year's and work completing these houses will continue right through the cold weather months. In addition, spurts in other construction areas, such as industrial building, will keep unemployment down to if not below last year's level.

One estimate of this winter's unemployment when it hits its seasonal peak: Only one out of every 12 or 13 Canadians unemployed as against the one in nine or 10 of the past few winters.

• • •

Another bright sign for business planners: There may well be a reprieve on the inflation front.

In a new study on price trends, the **Bank of Nova Scotia** states:

"It would be rash to assume that the recent stability in prices is going to be sustained for very long. Yet there are quite a few factors, both in the agricultural and business spheres working in this direction."

The clear implication: It's time for the public anyway to drop the inflation psychosis it has had over the past few years; we may well be in for a period of relative price stability.

For more than a year and one half now, consumer prices in Canada have been moving up and down within the narrow range of 1%—a contrast to the 4% gain in the preceding 18 months.

Lower food prices in Canada and the U. S. have been largely responsible. This downtrend, the bank states, has been reasonably modest so far. But with recent modifications in some Canadian government farm price support arrangements and with rising cattle numbers and feed supplies in the U. S., these downward influences may extend for some time ahead.

We aren't out of the inflation woods yet. There's upward pressure on the prices of consumer services. And bigger capital spending programs in Canada and the U. S. may push up industrial material prices. But supplies of most world commodities and raw materials are still adequate enough to deter many increases on this score.

In addition, world-wide competition in manufactured products, typified most dramatically in the car market, will also help keep prices in line, the bank notes.

Per Jacobsson, managing director of the International Monetary Fund, has this to say about prices: **"Strong forces in the world economy will act as a brake on price increases and the international trend, therefore, will be toward stability."**

Warehouse Haste May Up Prices

(CONTINUED FROM P. 1)

companies, make no charge for use of warehouse facilities.

But most carriers operating to points where the sufferance warehouses have been established, prefer to use the inland facilities and pay the fee.

The reason: Fewer delays.

If the border customs office is closed, the truck continues on its way, in bond, for examination at a designated inland warehouse. This saves a day in arrival at destination.

There are sufferance warehouses at 20 Ontario centres and at about as many points in the rest of Canada.

Druggist Cornering Stamp Mart

From Our Own Correspondent

CALGARY — A druggist is buying Lucky Green stamps for cash.

Malcolm "Mickey" Irwin, an anti-stamp retailer, will pay 1c for five stamps or $3 for a book of 1,500.

So far, he has a bagful in his store, located near a stamp-issuing market of **Loblaw Groceteria.**

Irwin sees his program as a blow against stamps. He would like to see them eliminated from Canadian retailing.

But there may be a legal question involved since stamps funneling into the drugstore have a value at a place other than where they were issued.

Irwin maintains he is not dealing in the stamps, simply offering to buy those issued by others.

"I'll probably give them away to charity or make a scrap book."

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Name Bram Dees Man of the Year In Package Field

Bram Dees, president of **Hardee Farms International,** this week was named "man of the year" in the packaging field.

The Golden PAC award is an annual tribute by the 900-member Packaging Association of Canada to the person, making greatest contribution to packaging in Canada.

Dees was named for his contribution in "bringing waste land into high production and creating a new industry to move fresh produce from these lands to markets, packaged in units of convenient size, with economies to the consumer . . ."

The award was presented at annual banquet held in conjunction with the 8th annual Canadian National Packaging Exposition in Toronto.

BRITISH AMERICAN OIL appoints CHARTERED TRUST as rental and managing agent

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CPR Earnings Off in September

MONTREAL (Staff) — Net rail earnings of **Canadian Pacific Railway** during September were $2.1 million, a decrease of $668,104 from the same month the year before.

Rail revenues were up to $37.7 million this September ($37.3 million last). But expenses rose more sharply — $35.6 million ($34.5 million).

Net rail earnings for the first nine months of the year stand at $24.2 million ($24.7 million).

The figures show:

	SEPTEMBER 1959 $	1958 $	Increase $
Rail. rev.	37,688,048	37,297,946	390,102
Rail. exp.	35,551,712	34,493,506	1,058,206
Net rail. earns.	2,136,336	2,804,440	668,104*
	9 MO. FROM JAN. 1 1959 $	1958 $	Increase $
Rail. rev.	360,526,866	348,116,299	12,410,567
Rail. exp.	336,289,909	323,369,166	12,920,743
Net rail. earns.	24,236,957	24,747,133	510,176*

*Decrease.

ANNOUNCEMENT

L. R. YOUNGER

L. R. Younger, former Assistant Deputy Minister, Customs, whose appointment as General Representative, Ottawa, has been announced by Cyanamid of Canada Limited. Mr. Younger retired in July of this year after 44 years service with the Department of National Revenue.

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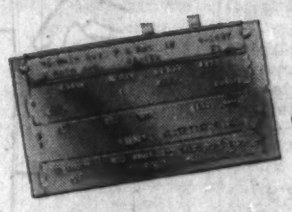

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Plane Makers' Hopes Soaring For Big Orders

If they turn up, they will mean millions in business and hundreds of jobs . . .

By CLIVE BAXTER

MONTREAL (Staff) — Canada's plane and engine makers have high hope for some potentially rich orders in the next few months.

Some could originate in Canada, others in the U. S.

If all are won, it will mean multi-million-dollar business and hundreds of jobs for skilled Canadians. (For a detailed report on the aviation industry today, pp. 49-68.)

These are the brightest hopes:

● **Helicopters:**

Best bet for quick action. Ottawa has been making plans to buy "substantial" fleets of new helicopters for all three armed services (FP, Aug. 8, Oct. 24).

The requirements are for a big freight-carrying "chopper" for both RCAF and Army, an anti-submarine machine able to carry new electronics gear and operate off frigates for the Navy, and a small four-five seater for the Army and possibly RCAF reserve squadrons.

A top contender for the freighter order, which looks like the richest, is the U. S. **Vertol** firm which has already established a Canadian company, **Canadian Vertol Aircraft Co.** It has announced its intention to build Vertol 107 helicopters in Canada.

Other leading contestant is **Sikorsky Aircraft** which this week announced its intention to give **Canadian Pratt & Whitney Aircraft** "substantial" contracts to build sections of its new turbine-powered HR-3S-1 helicopter. Both are associate companies of **United Aircraft Corp.**

This step is considered a strong bid to win Ottawa favor for the Sikorsky entry.

● **Airliners:**

Canadair Ltd. already has passed the $100 million mark in sales of its new CL-44 turbo prop air freighter to U. S. lines.

The outlook for future sales of this plane are encouraging.

De Havilland Canada's twin-engined Caribou is now undergoing rigorous acceptance trials by the U. S. Army.

It could become a standard troop-carrier.

Civil sales of Caribous could be brisk.

● **Trainers:**

The RCAF badly wants a new basic trainer to replace service-weary Harvards. All other major air forces now start potential fighter pilots on jets. Canadair has designed and built a small two-seat jet trainer, the CL-41.

If the CL-41 replaces the Harvard, there should be an order for at least 75. Later Canadair hopes to develop a four-seat executive jet from the design.

● **Fighters:**

Under the licensing arrangement with **Lockheed Aircraft Corp.**, Ottawa won the right to have Canada build tail sections of all F-104 Starfighters sold in the future.

New U. S. Air Force Tactical Air Command is reported to be shopping for about 450 new fighters. The F-104 is one of the potential purchases.

● **Engines:**

Orenda Engines Ltd., Malton, has taken over production of the **General Electric** J.79 jet engines for the Canadian F-104s. Development work to push the engine up to Mach 3 — three times the speed of sound — has been dropped by GE.

Many airmen feel Orenda could pick it up. With its wide supersonic experience, it could turn out an engine that would make the Canadian F-104 one of the least expensive and fastest on the world market.

Canadian Pratt & Whitney has two promising engines — a small jet and a turbo prop.

● **Things to come:**

Avro's "Flying Saucer" is still an intriguing possibility. It is almost ready to begin flight tests for the U. S. military (FP, Oct. 31). Washington's initial $3 million development contract has pretty well been used up. If the tests are successful furthers development grants are expected.

Lumber Dealers Meet in Toronto

Ontario Retail Lumber Dealers Association will hold its annual convention and show market at the Royal York Hotel, Toronto, March 21-23, 1960.

Theme: Dealer sales control, store layout, store display and store management.

A program for the association for 1960 will be worked out at the convention.

Business sessions will discuss the question of whether a lumber dealer should go into contracting and land development and, if he does, how this will affect his sales to his contractor customers.

Another trend to be discussed: Manufacture, merchandising of trusses and selling of laminated beams and arches.

Hint $50 Million Order To Dosco for Steel Rail

This week's hottest steel industry rumor:

A huge Argentine order for rails — some reports say as high as $50 million — will be announced soon by **Dominion Steel & Coal Corp.**

This is believed to be the order hinted by Chairman Sir Roy Dobson at the annual meeting of **A. V. Roe Canada Ltd.**

Referring to operations of Roe's steel-making subsidiary, Dobson said Dosco is fairly confident of obtaining a valuable foreign contract within a month or so (FP, Oct. 31.)

FP understands South American negotiations are nearing completion. All that remains to be settled is the financing.

The order would mean constant employment at Dosco's Sydney, N.S., mills for many months. A year ago orders for $5 million of steel rails from Africa and India kept plant humming for three months.

Sydney steel operations currently are running at 85% of capacity, up from 73% in July and August, after hovering around 67% for most of the year.

Work force is over 4,000.

Reasons for the jump in rate:

● **Increased Canadian business.**

● **Orders resulting from U. S. steel strike.**

Late summer orders, totaling several million dollars, represented domestic demand and more than offset slack caused by erosion of Dosco's traditional overseas markets.

One buyer was an Ontario-based steel company which required more than its own current production of basic steel to meet demand for finished products.

Besides some firm orders, the U. S. strike has resulted in a number of enquiries. Any further delay in settlement of the labor dispute will mean increased business in Sydney.

Civil Servants Quit Labor Body, Blame Politics

From Our Own Correspondent

EDMONTON — The 35,000-member Alberta Federation of Labor, which held its fourth annual convention in Edmonton, was rocked by a political rift.

The Civil Service Association of Alberta walked out over the proposed new political party issue ending 31 years of affiliation with the Canadian labor movement.

Officials of the federation said they were amazed at the action of the 9,000-member CSAA.

One said: "Some of the CSAA officers seem to think because they wear white collars and ties they are not labor."

The break arose over a resolution adopted by the federation which endorsed the action of the Canadian Labor Congress which is backing a new political party with the CCF, farm organizations and other interested people.

A statement issued by the CSAA said that at an executive meeting it was decided by majority vote to suspend affiliation with the Canadian Labor Congress and the Alberta Federation of Labor.

"This action was taken by the association executive in view of the proposed political activity now being sponsored by the Canadian Labor Congress.

"At the 38th annual convention of the association, held last November, the provincial executive of the CSAA was empowered to act in their discretion with regard to continued affiliation with the CLC.

"**The decision to suspend affiliation** will be placed before the convention of the CSAA to be held in Calgary Nov. 5 for ratification and any further action that ruling body may order," said the executive.

535 BRANCHES

Bank of Nova Scotia branches across Canada now total 535 with the opening of two new branches this week. In Dartmouth, N.S. a new branch is located at Woodlawn and Westphal. The manager is W. D. Morrison. The second is at Main and Polson, Winnipeg, and the manager is A. K. Givens.

CRUSH INTERNATIONAL LTD. (formerly **Orange Crush**) shares are now listed on the Toronto and Canadian stock exchanges under the symbol "CRH". Previous symbol was "OR". Change of name to Crush International became effective by supplementary letters patent issued Oct. 1.

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Jim Dwyer discovers the Painless Way

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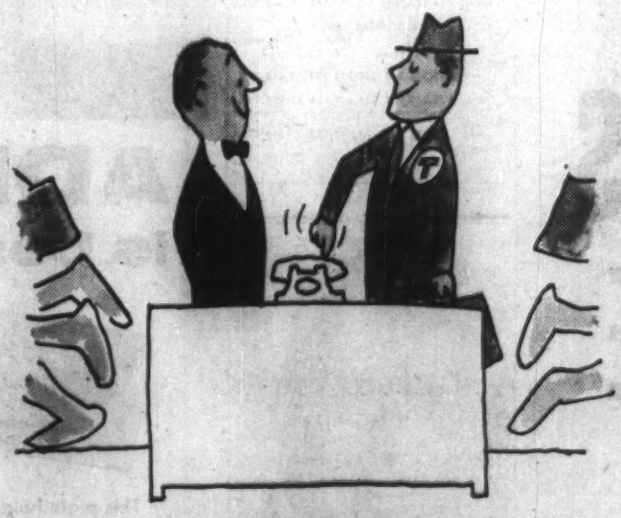

"So far you've been Aladdin's genie," Dwyer answered then,
"Just tell me where I sign for it and I will say 'amen'."
"One plan, one man to telephone if ever you're a claimant —
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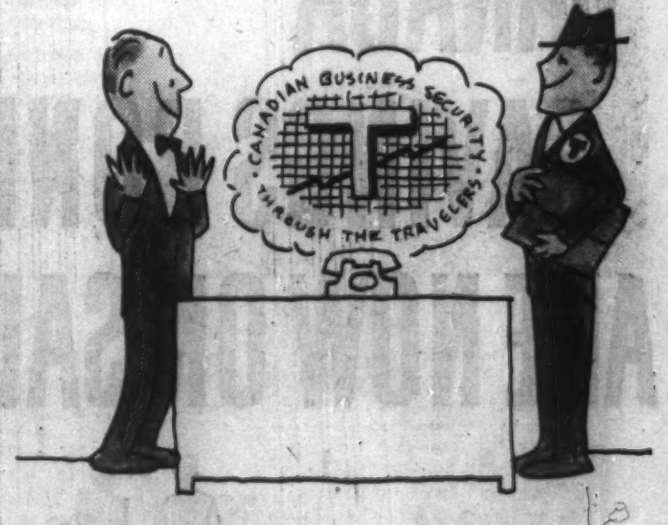

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The executive who lived in a salt mine

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The *property* he owns is managed by Montreal Trust's Real Estate Department. His *investments* in securities get the professional, full-time attention of Montreal Trust's Investment Management Service. In fact, he has asked Montreal Trust to handle *all* the details — just as he delegates responsibility in his office!

Now, instead of trudging 'back to the salt mines' at five, he can enjoy relaxed evenings at home. He appreciates that Montreal Trust know as much about their business as he knows about his — and, confidentially, he is being made president next month!

P.S. Why not ask a Montreal Trust officer to call on you at your convenience? Or phone for our booklet — TRUST SERVICES. It will give you new ideas on how Montreal Trust can help *you!*

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DORVAL LESSON:

Start Early For Airport Motel Sites

By VINCE LUNNY

MONTREAL (Staff) — Who's going to build the first big motor hotel at Dorval Airport?

Will the frantic scramble for sites being waged in Montreal spread to other Canadian cities?

Hotelmen are closely watching the fluid Montreal situation for clues. Here, four candidates are in the running and the two biggest, **Hotel Corp. of America** and **Hilton Hotels International**, appear to be involved in property disputes.

One report: Both are after the same piece of property on Cote de Liesse Rd. Hilton officials remain mum but Hotel Corp. frankly admits its negotiations have hit a snag.

Also in the running with an ambitious project is the **Skyline** organization, already busy expanding its Toronto operation on Highway 27 at Dixon Rd.

The fourth group, which entered the motor court sweepstakes at midweek, has not been identified.

Hotel Corp. of America was first in the field (**FP**, Aug. 23, 1958). Vice-president Roger P. Sonnabend, who runs the motel sideline of his father's Hotel Corp. of America, told **FP** then six motor hotels were planned for Canada.

Company which acquired its first charterhouse (as it calls motels) in 1957, had increased its chain to eight by mid-1959, has about 30 projected, including units at Toronto, Winnipeg, Calgary, Edmonton and Vancouver.

These charterhouses will be built and financed by local groups, operated by Hotel Corp. on a participant-lease basis.

Robert McAlpine Ltd. has agreed to build the Montreal charterhouse which will feature a restaurant, conference rooms and swimming pool. Originally suggested was a 200-room inn costing about $1.8 million.

Reports now are that a start will be made with less than 200 rooms but plans will provide for expansion to 400.

Conrad Hilton, president of the Hilton chain, last month revealed plans for a two-story, 300-room motor court at Montreal airport. Reports that the Hilton group has reached agreement with H. J. O'Connel interests for purchase of 30 acres on Cote de Liesse road near the airport entrance have not been confirmed.

As costs run about $10,000 a room, a 300-room development would run to $3 million.

Hilton also has announced plans for a Toronto motor hotel, is making a survey of other cities.

One hot prospect: Vancouver.

Skyline, which opened its first hotel at Toronto's Malton Airport in 1954, has acquired land near Montreal Airport. Company says "before the end of 1960 there will be a Skyline hotel on the site."

On the drawing boards: A 10-story, fully air-conditioned, 300-room hostelry.

Hotelmen see the Montreal scramble being repeated elsewhere in the country. Hilton and Hotel Corp. both are eyeing western sites near airports and in Toronto, to protect its position, Skyline is adding 50 rooms this year, an additional 150 next year to bring its total to 300.

This vigorous sparring stems from the fact the best place to erect a "grand motel" is at a busy air centre, the modern equivalent of a railroad depot, around which hotels clustered a generation ago.

Big advantage is a steady source of patrons — air travelers awaiting connections, travelers who pick up rental cars at airports and travelers with business at suburban plants.

The market, sure to expand as air travel increases with the jet age, is there. The fight is over footholds in what could be a lucrative field.

Royal Bank Staff Changes

G. G. PEARSON, 8th and Centre, Calgary, to be manager, Redwater, Alta.
F. D. MOORE, accountant, Simcoe, Ont., to be manager, Newmarket, Ont.
W. F. BASSETT, manager, Newmarket, Ont., to be manager, Georgetown, Ont.
A. R. FEENER, manager, Redwater, Alta., to be manager, Sexsmith, Alta.
R. J. MILLER, manager, Georgetown, Ont., to be manager, Stoney Creek, Ont.
W. WARREN, assistant accountant, London, Ont., to be manager, Scotland, Ont.
F. C. ANDERSON, assistant manager, St. John's, Nfld., to be manager, St. John's, West End, Nfld.
J. J. BOYLE, manager, Scotland, Ont., to be manager, Dundas & Brown's Line, Toronto.
J. P. BUSHELL, manager, Sexsmith, Alta., to be manager, 12739 Fort Rd., Edmonton.
C. H. BROWN, manager Dundas & Brown's Line, Toronto, to be manager, Danforth & Leyton, Toronto.
N. B. AULD, St. Catherine & Stanley, Montreal, to be manager, Monkland & Harvard, Montreal.
K. L. FORTNEY, assistant general manager's department, Toronto, to be assistant manager, St. John's, Nfld.
D. H. METZ, assistant accountant, Stettler, Alta., to be accountant, Sexsmith, Alta.
K. H. STAFFORD, assistant accountant, Clinton, Ont., appointed accountant.
J. D. ANDERSON, assistant accountant, Melville, Sask., to be accountant, Estevan, Sask.
A. A. WHITE, accountant, Glace Bay, N.S., to be accountant, Stephenville, Nfld.
A. O. HAAS, Ituna, Sask., to be accountant, Drayton, Ont.
B. F. W. HANN, assistant accountant, Granville & Davie, Vancouver, to be accountant, Hillside & Quadra, Victoria.
M. J. C. OUELLET, Jacques Cartier, Que., appointed accountant.
A. R. DOREY, assistant accountant, 8th and Centre, Calgary, to be accountant, Innisfail, Alta.
W. B. COCKBURN, assistant accountant, Prince Albert, Sask., to be accountant, Albert & 13th, Regina.
D. DUKE, accountant, Estevan, Sask., to be accountant, Broad & 6th, Regina.
E. F. EAST, Southey, Sask., to be accountant, Rodney, Ont.
C. D. MacGILLIVRAY, assistant accountant, London, Ont., to be accountant, Sudbury, Ont.
D. I. NEWTON, accountant, Innisfail, Alta., to be accountant, 82nd & 104th, Edmonton.
N. S. McINTYRE, assistant accountant, Saskatoon, to be accountant, Barrie, Ont.
V. B. TUBA, accountant, Drayton, Ont., to be accountant, Napanee, Ont.
H. E. SNIDER, accountant, Napanee, Ont., to be accountant, Simcoe, Ont.
W. P. CREHAN, assistant accountant, Brantford, Ont., to be accountant, Thorold, Ont.
M. A. HALL, assistant accountant, Ouellette & Ellis, Windsor, Ont., to be accountant, Lindsay, Ont.
D. G. WADSWORTH, assistant accountant, Somerled & Cavendish, Montreal, to be accountant, Sherbrooke & Hampton, Montreal.
D. E. PETERS, accountant, Sherbrooke & Hampton, Montreal, to be accountant, Cote des Neiges & Van Horne, Montreal.
B. C. LAFFORD, assistant accountant, Montreal West, to be accountant, Pointe Claire Shopping Centre.
G. E. TELFORD, assistant accountant, Norgate, St. Laurent, Que., to be accountant, Sherbrooke & Cavendish, Montreal.
G. P. McCOY, assistant accountant, 82nd & 104th, Edmonton, to be accountant, Strathmore, Alta.
A. H. LARSON, assistant accountant, New Westminster, B.C., to be accountant, Hastings & Nanaimo, Vancouver.
RETIRED: M. F. Channing, St. John's, West End, Nfld.
W. E. Scott, Stoney Creek, Ont.
W. C. Paton, Danforth & Leyton, Toronto.

N.B. Spud Crop Better Quality

From Our Own Correspondent

SAINT JOHN — New Brunswick's potato crop will fall short in volume this year — but should match last year's cash return and is of better quality (**FP**, Oct. 3).

Most of the 7,245,000 cwt. has been harvested from more than 46,000 acres of rich St. John River valley farmland.

Prices have held from a minimum of $2 to a maximum of $2.85 per 165-lb. barrel.

Railways have moved almost 1,000 carloads to market.

EXPAND HOSPITAL

From Our Own Correspondent

MONCTON — A multi-million-dollar project to add 160 beds at the Moncton City Hospital is scheduled to start in April. The hospital is five years old. Plans have been approved by the New Brunswick Hospital Services Commission.

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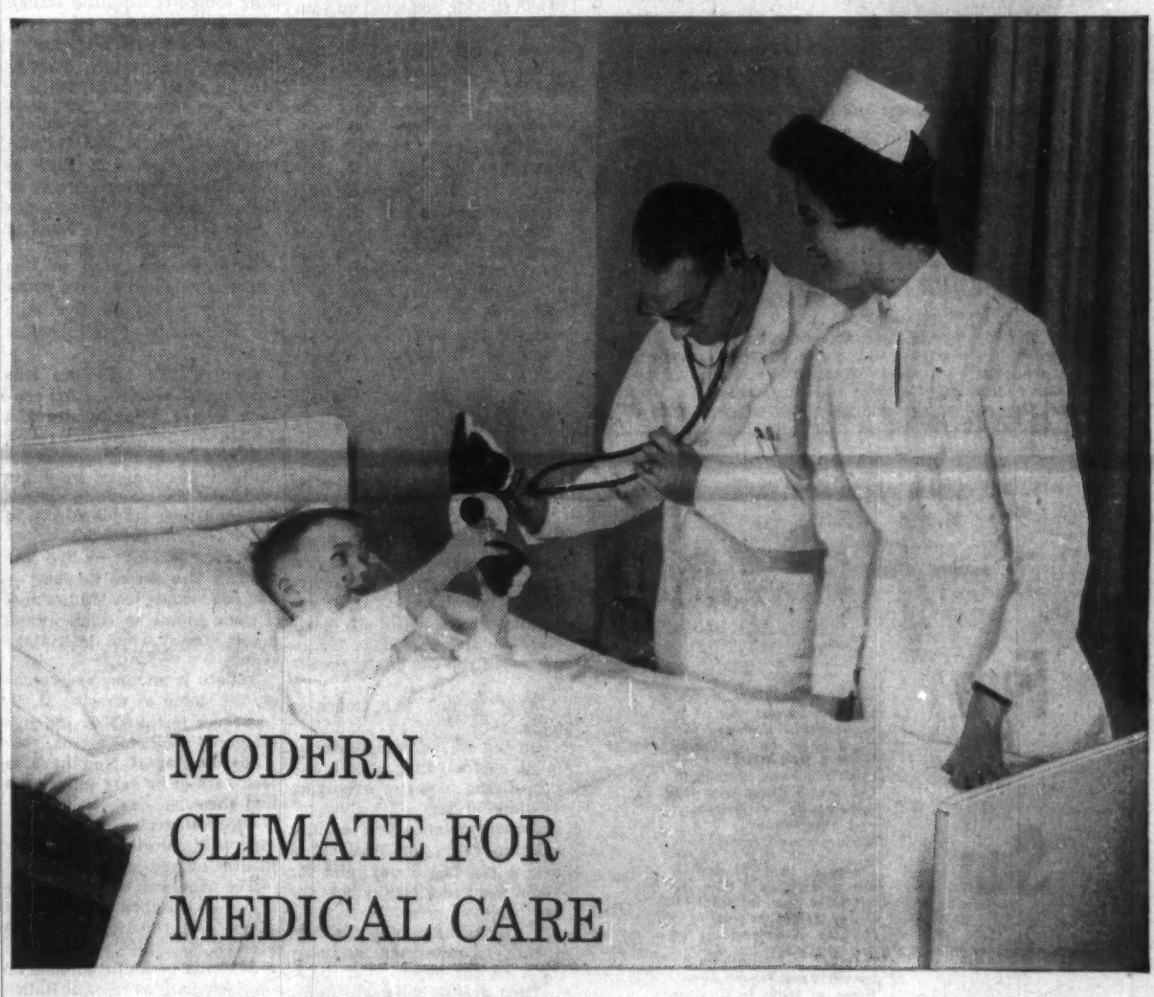

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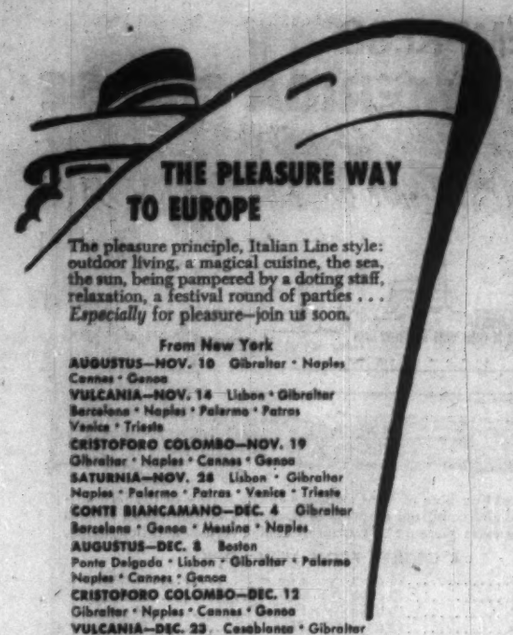

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SATURNIA—NOV. 28 Lisbon • Gibraltar • Naples • Palermo • Patras • Venice • Trieste
CONTE BIANCAMANO—DEC. 4 Gibraltar • Barcelona • Genoa • Messina • Naples
AUGUSTUS—DEC. 8 Boston • Ponta Delgada • Lisbon • Gibraltar • Palermo • Naples • Cannes • Genoa
CRISTOFORO COLOMBO—DEC. 12 Gibraltar • Naples • Cannes • Genoa
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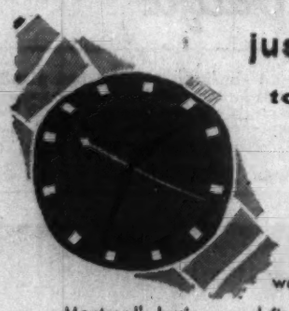

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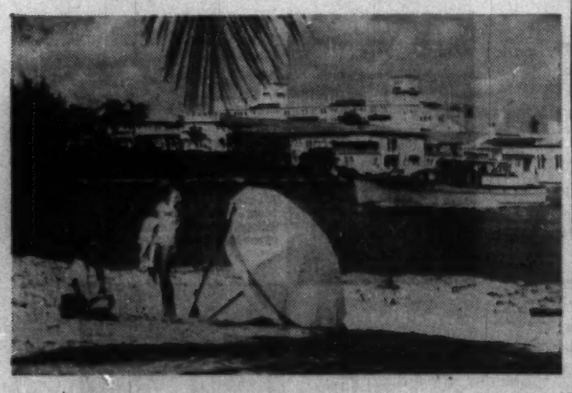

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POST TRAVEL BUREAU

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By DONALD R. GORDON

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It's a trip of tremendous promise.

Off the beaten track, the area is free of the hotel-clogging package tour groups, the residents are still warmly inclined towards visitors and the prices give your pocketbook a rare feeling of safety.

On a average day, you can sample delightful ocean bathing (with sand that makes superb castles), swing through some breathtaking Renaissance buildings, dine on excellent Italian fare with good and cheap wines to add sparkle and wind up your evening outdoors dancing by the jack-o-lanters with a panorama of the twinkling harbor at your feet.

Getting there, despite the comfortable seclusion, is easy.

You can take a plane to London ($812 first class, $485 economy return from Toronto), then overnight on the Rome Express ($82 for first class fare return plus $33 for a sleeper compartment) to La Spezia—long famed as Italy's premier naval base and the centre of frogman training that sank a good portion of the British fleet off Alexandria early in the war..

Then it's a 20 min. taxi ride ($7-$8) to Lerici.

Where to stay?

Try the **Byron** — new, modern, on the seafront, named after the poet who whiled away many a day in the area, or the **Italia** — less up-to-the-minute, much cheaper — or any one of the many pensions that cater to visiting holidayers.

Hotel rooms with all meals run from about $6-$11 a day, in a pension you can get by on $2-$3.

What to do? The choice is wide.

On the sea, of course, swimming, surfboarding, sailing and skin-diving in water averaging a balmy 70 deg.

For convenience, you can hire a beach cabin for about $2 a day, a big beach umbrella for about 60c and a paddle boat for another 60c.

If you want to stay the day, there's a restaurant and bar right on the beach.

Then, around the town, a profusion of interesting nooks and corners promise interesting investigations.

The Lerici town church, for instance, a 13th century structure with a beautiful spire.

Stay to hear the bell, too — noted for a marvelous clunk from the hour chimes and the fact that ever since lightning struck it in the 1920s, it hasn't been able to strike past six (it starts all over again at one for seven o'clock).

Lerici castle, a storied citadel, reflects Italy's centuries of warfare.

In its day, the citadel has sheltered persons as varied as the poet Petrarch, the infamous Branca Doria (immortalized by Dante in the Divine Comedy), and the French king, Francois I, following his defeat in the battle of Pavia in 1525. Currently it's used as a youth hostel but is open to visitors.

Also noteworthy in Lerici itself, is the town market held every Saturday and a promising source of beautiful Italian glass and pottery.

The market people tend to be hagglers, but, happily, start at bargain prices to begin with.

Twenty minutes by boat across the harbor is the village of Porto Venere, replete with churches dating as far back as the seventh century, streets of elegant mediaeval Genoese designed houses and the ruins of a Roman temple to Venus.

Byron stayed often in this village and is said to have swum regularly across the five mile bay to visit his friend Shelley in Lerici.

Luni, a half hour bus ride from Lerici, features a first century Roman amphitheatre and a wide array of Etruscan relics.

Once a flourishing commercial town, it was reduced by pirate raids and the plague to extinction and now stands empty in the middle of open fields.

At Cinque Terre — five tiny villages also across the bay — you can sample local wines and, if your timing is right, attend a gala "festa" when the vintage is in.

Tellaro is another eye-catcher, the home of novelist D. H. Lawrence in the 1920s and still a favored resort for artists.

Disadvantages? You have to look hard or be very unlucky to find them.

Reservations are wise — especially during the busy months of mid-summer.

The wines can be troublesome if not approached with respect (they taste very innocuous but aren't).

It would be useful to bone up on a few basic phrases of Italian or French, and beware of too much sun — it's much more powerful than it seems too.

But, in sum-up, very few drawbacks indeed for a holiday hard to match nowadays anywhere else in Europe.

Travel Tips

EUROPEAN SKI TOUR offered by **BOAC** includes 13 days at the famous Swiss winter resort of Zermatt, three days in U. K. Cost from Montreal: $545 per person under the family plan (two or more members of a family traveling together), $620 for individuals, with special reductions for tours starting Jan. 1 or 15 and March 11. Price includes hotel accommodation, meals, tips, theatre tickets and sightseeing in London.

PAN AMERICAN JETS carried more than 210,000 passengers in the first year of service, according to a recent company announcement. Of these, 189,000 were on transAtlantic routes, and 70% in economy class. Total trans-Atlantic passengers (jet and piston planes) amounted to 281,000 passengers — an increase of 25% over the preceding 12 months. With expanded jet service on all international routes, the company predicts a 20% increase in worldwide travel next year.

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INSIDE THE NEWS

A column of fact and comment on national and international affairs . . .

By J. K. EDMONDS

JUST how pessimistic should Canadians be about our trade prospects in the European Common Market?

Within the last few weeks, the Canadian Chamber of Commerce, the Canadian Exporters' Association, and others have expressed concern about the new trading arrangements that are shaping up in some of our traditional markets.

There's no doubt that it's useful and necessary for Canadian businessmen to keep informed about these changes. But so far, I don't think anything has happened that is going to do us harm, and chances are that our export industries will wind up ahead of the game.

This view is not wishful thinking. It's based on:

- **Personal, on-the-spot observation** just as the Common Market was getting under way.
- **A study of the fine print** in the Rome Treaty, which is the basis of the Common Market.
- **Continuous review** of the flood of reports and analyses of the effects of the market's operation which have been coming from banks, universities and international organizations for the past two years.

One of the most detailed of these reports, from the point of view of Canadian trade, appeared in the Canadian Journal of Economics and Political Science last August.

Professor Richard E. Caver of the University of California (Berkeley) reaches this conclusion:

"The possibilities of a disruption in Canada's trade owing to the formation of the EEC (Common Market) seem distinctly limited.

"Agricultural products which make up half her exports to the EEC are subject to government import policies, but these policies are not essentially connected with the formation of the customs union.

"There is no evidence that the common agricultural arrangements will affect them one way or the other.

"Most of Canada's exports of raw materials and intermediate goods now face low or non-existent tariffs and will continue to do so.

"The ones that do face some threat of trade diversion will probably not suffer heavy damage, because much of their competition with the EEC typically comes from producers outside the EEC and may depend on raw materials of limited availability within the six EEC countries."

The study goes on to point out that the larger Free Trade Area (which was still a remote possibility when the material was prepared) would be a different matter, since many of the countries now referred to as the "Outer Seven" do export goods that directly compete with Canadian exports, and would gain an advantage if trade within Western Europe were free, while trade with the outside world — including Canada — had to surmount new barriers.

But the Outer Seven have not yet become linked with the six nations of the Common Market, and it now seems much more likely that a North Atlantic market area — including Canada and the U. S. — will be the next topic of discussion.

Economists and business observers differ on the question of whether the Common Market will become a better customer for Canada because of growth and prosperity within the six-nation community.

- **NOTHING to fear from EEC . . .**
- **ANSWERING needs of aged . . .**
- **HORSES, rabbits and wheat . . .**

So far, the rate of growth has exceeded expectations. Those who warn against over-optimism point out that the Common Market won't create any economies of scale, since most European industries operate at an efficient size already.

Those who expect rapid growth do so because they foresee a shift of labor and capital out of industries with low productivity into growth industries — the sort of thing that has been happening in Canada since the war.

This might mean, for example, diverting people, land, and investment away from high-cost agriculture, and into industrial activity in which Europe has a natural advantage.

In that case, Canada could hope for a steady increase both in sales of farm products to replace food that is now home-grown, and in sales of raw materials to feed industry.

I'm inclined to put my money on rapid growth, for two reasons:

- **There is already evidence** of the shift of resources into more efficient patterns.
- **Creation of the Common Market** has produced an atmosphere of change and experiment that fosters efficiency and progress.

It's perfectly respectable to take this into account. J. M. Clark, for example, calls it "dynamism".

It may not appear in statistical tables, but it's easy to see and feel.

Canada had "dynamism" in the early fifties. Europe, in my opinion, has it now.

Any community is better off with a dynamic force in its midst.

That's why I expect the entire North Atlantic Community — including Canada — to benefit from the Common Market.

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Civil Service Renews Bid For Pay Hike

Watch for a new burst of demands for higher civil service pay.

It will come next week when the 28,000-member Civil Service Association of Ontario meets in Toronto.

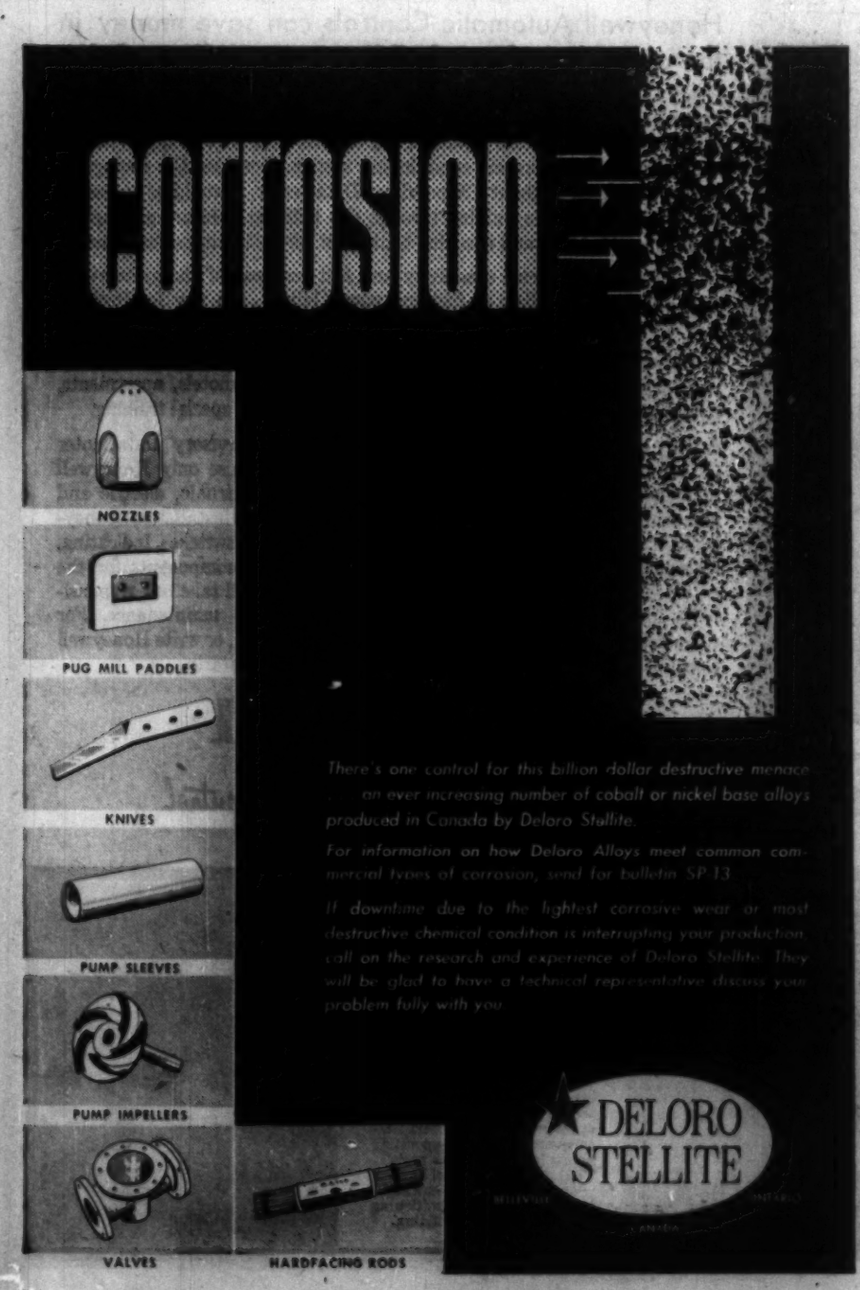
Here's why the annual convention will likely provide fireworks:

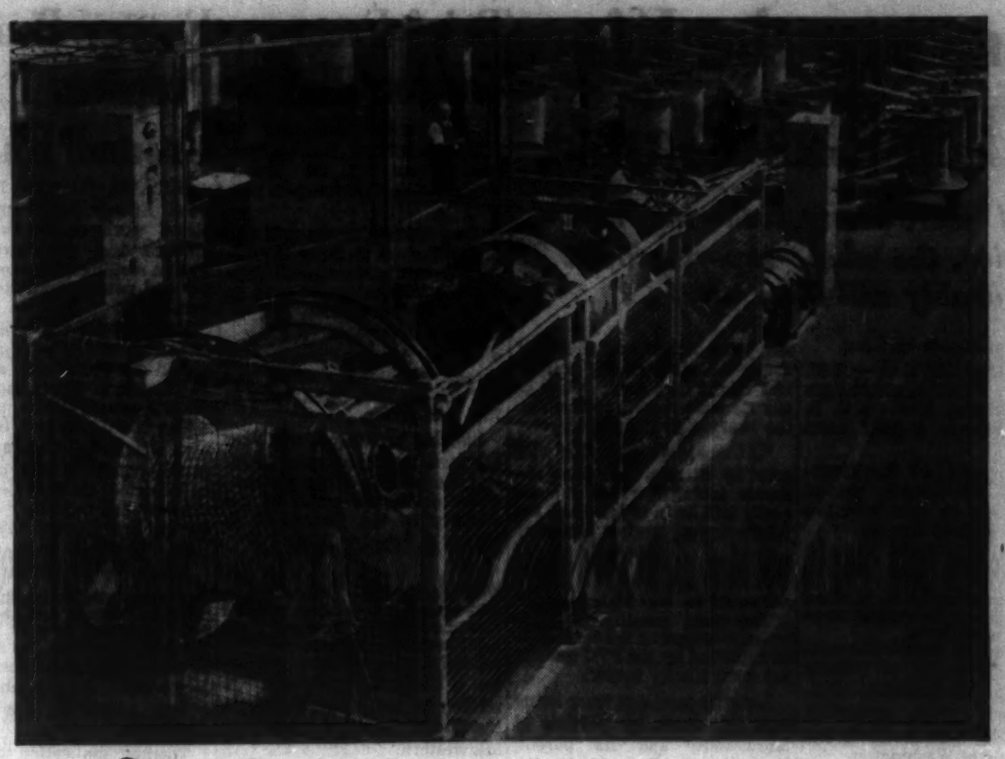
- **An association struggle** for pay hike, collective bargaining process and other benefits has failed to dent the government's stand in over a year (**FP**, March 21).
- **Gains by industrial unions** in Ontario, a pay raise for Quebec civil servants, have served to make the public workers restless.

Mass protest, meetings have preceded the annual meet, mostly focusing dissatisfaction on current pay rates.

But there are actually a number of points at issue, as far as the association is concerned.

It wants a collective bargaining process, a survey of the public service, government participation in a "comprehensive" health and insurance plan, a new Public Service Act, cash payment for overtime work, a process for grievance and appeal.





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Here are the If's In Big Gas Plans

"If there's any tinkering with price, the whole export project probably will blow up . . ."

From Our Own Correspondent

WASHINGTON, D.C. — If all goes well, Canadian natural gas will be flowing into the U. S. Upper, Midwest a year from now.

FPC approval of the **Trans-Canada - Midwestern** project puts the export plan over the first and highest hurdle.

The scheme still could stumble on other lesser hurdles, but this is not considered likely by officials here.

The plan to export 204 million cu. ft. a day of Alberta natural gas at Emerson, Man., spent four years struggling through the bureaucratic red tape jungle of Washington.

There were about 35,000 pages of testimony, 1,500 exhibits and 300 witnesses. It was the most complicated, most argued and most studied case in the history of the FPC.

Here are the remaining hurdles for the project:

- **Approval for Trans-Canada** to remove more gas from Alberta to be granted by the Alberta Oil and Gas Conservation Board.
- **Approval for Trans-Canada** to export the gas to the U. S. to be granted by the newly-formed National Energy Board.
- **Acceptance by Midwestern Gas Transmission** of the FPC certificate and its conditions, especially the financing and rate of return conditions.

Until now the argument has been over reserves. From now on, the argument may well be over price.

The Borden Report showed considerable interest in price and there has been some suggestion the NEB may be particularly interested in the price Trans-Canada is charging Midwestern.

For the first three years and based on a 75% load factor, the prices is 30.8c per mcf.

In the fourth year and thereafter, the rate is 28.31c per mcf, figuring on a 100% load factor.

While these prices are not too high, the 100% load factor is stiff proposition for Midwestern.

These prices, however, are somewhat less than what Trans-Canada is charging some customers, especially in Eastern Canada.

However, for eastern customers, the gas has to be piped farther.

But while some Canadian officials may question why Midwestern should get the gas at a lower rate than some Canadian customers, it seems clear that this is about as high a charge as Trans-Canada can make to Midwestern and still get FPC approval.

The FPC has not been one of the most ardent admirers of Trans-Canada's pricing policies and might take a dim view of any Canadian effort to force up the charges to Midwestern.

"If there is any tinkering with price by Ottawa," one close observer told FP, "then the fat really will be in the fire and the whole export project probably will blow up. The FPC would not stand for any higher price."

The basic question of Midwestern accepting the certificate as approved by the FPC has not yet been finally settled.

Lengthy meetings were being held this week by officials of Midwestern and its parent, **Tennessee Gas Transmission Co.**

They are decidedly unhappy about the FPC hesitancy to grant the requested 7% rate of return on the Midwestern investment.

And even though the FPC has given the green light, Midwestern still could pull out of the project if the financing it wants cannot be arranged.

The FPC staff says the requested 7% return is too much. Instead of deciding what the rate should be, the FPC has "passed the buck" by saying that decision will be made later.

It said the rate of return in any case would not be less than 6¼%.

Thus Midwestern will have to come back to the FPC before construction begins (slated for next spring) with firm proposals for its financing as finally consummated.

Then, the FPC said it will fix a rate of return.

Thereafter, and no later than 60 days prior to the start of service, Midwestern will have to file rate schedules satisfactory to the FPC.

This puts the company in a difficult position.

Chances are remote, however, that it would reject the certification, although it might conceivably ask for a new hearing on the rate of return question.

While the FPC conditioned its okay of the import scheme on approval by Canadian authorities, it indicated it felt such Canadian approval would be forthcoming.

It hopes the okay from above the 49th parallel will come early in 1960.

Although actual construction will not likely get underway until spring, Midwestern is expected to soon begin aerial surveys and acquiring right-of-way.

Trans-Canada already has acquired right-of-way for its pipeline to Emerson and it has 30-in. pipe on order for the job.

Brief Facts On the Plan:

From Our Own Correspondent

WASHINGTON, D.C. — Facts and figures on the **Trans-Canada-Midwestern** export project:

- **Gas:** Trans-Canada will sell 204 million cu. ft. daily to Midwestern with a preferential option for Midwestern to take an additional 204-million cu. ft. daily at a later date.
- **Price:** Trans - Canada will charge Midwestern 30.8c per mcf for the first three years at 75% load factor.

Starting with the fourth year the load factor becomes 100% and the price is 28.31c per mcf. These prices are based on gas delivery at the Canada-U. S. border at Emerson, Man.

- **Project cost:** Trans-Canada will spend $32 million for the pipeline down to Emerson, Man.

Midwestern will spend $52 million for its facilities. **Michigan - Wisconsin** will spend $24 million for facilities to distribute the Canadian gas it buys from Midwestern.

- **The project:** Trans-Canada will build a pipeline from its main line down to Emerson, Man.

Midwestern will run its pipeline from the Canadian border south and east some 500 mi. through Minnesota and into central Wisconsin, ending near Marshfield, Wis.

At this point it will connect with facilities of Michigan-Wisconsin.

"Mish-Wish" proposes to extend its existing pipeline from Appleton, Wisconsin to Marshfield and build additional facilities to handle the new Canadian gas.

Energy Board Prepares Its Ground Rules

OTTAWA (Staff) — The National Energy Board has completed work on its "rules of practice and procedure" and will be mailing copies to the oil, gas and power industries early next week.

They set out the type of information which must be furnished by companies applying for licences to export and import gas and export electric power.

The board may ask for complete details on: Contracts proposed; quantities to be exported or imported; details of expected markets; Canadian markets served; and sources of supply.

The National Energy Board Act came into force this week by proclamation and the board now has legal powers to issue licences. However, as specified in the act, and underlined in the new regulations, the cabinet has a veto power on the board's decisions.

The first application the board will likely hear is that of **Trans-Canada Pipe Lines** — to export 204 million cu. ft. a day of gas into the U. S., following the approval by the U. S. power commission of Trans-Canada's plans.

$1.7 Million Bill For N. B. Buildings

From Our Own Correspondent

FREDERICTON — New Brunswick's expenditures for new, remodeling and extensions to provincial buildings will run to just over $1.7 million for 1959.

Largest of the 10 projects already well under way, Public Works Minister J. Stewart Brooks explained, is a $1,375,000 provincial building in Saint John.

The balance covers cost of nine projects under way at Bathurst, Saint John, Moncton, Fredericton, Richibucto and Fundy National Park.

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The Cementation organization, which undertakes mining work in any part of Canada, is proud to have been associated with these new ventures of Sifto Salt Limited at Goderich, and The Malagash Salt Company Limited at Pugwash.

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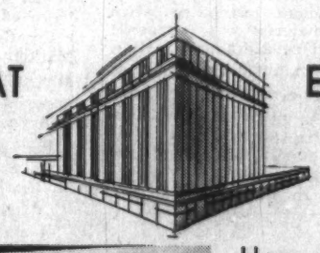
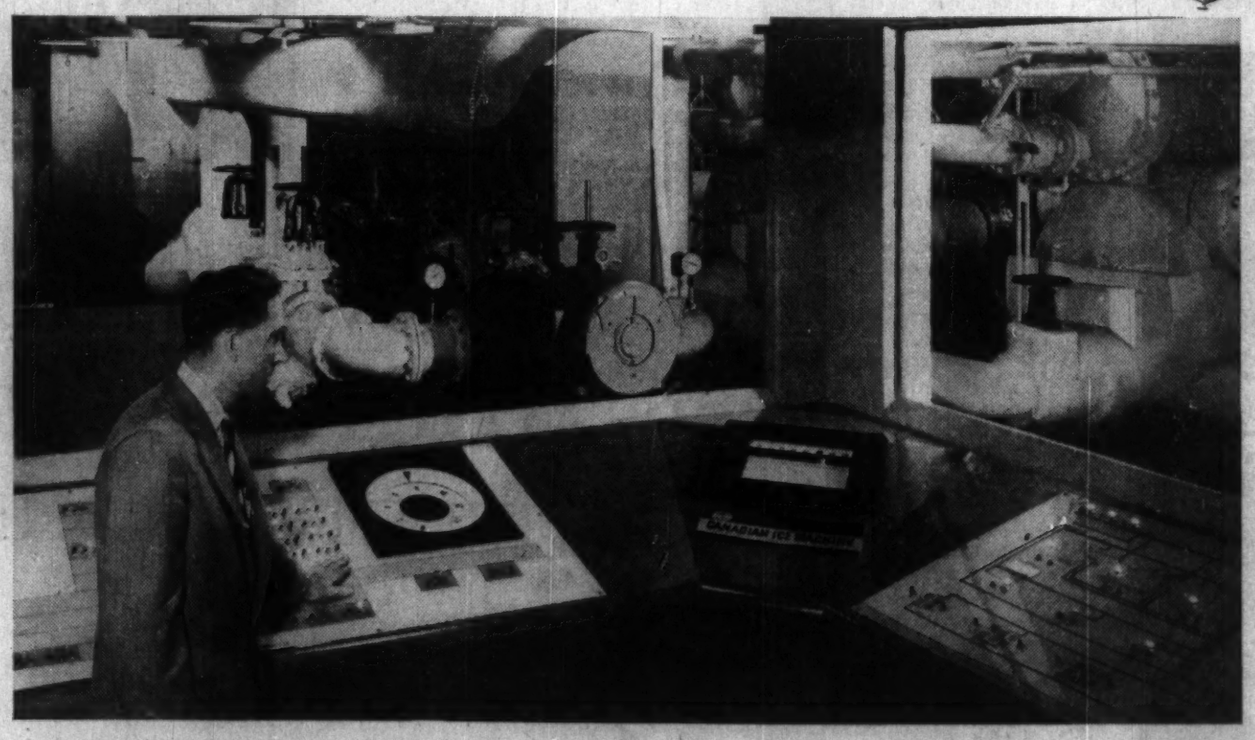


cuts costs



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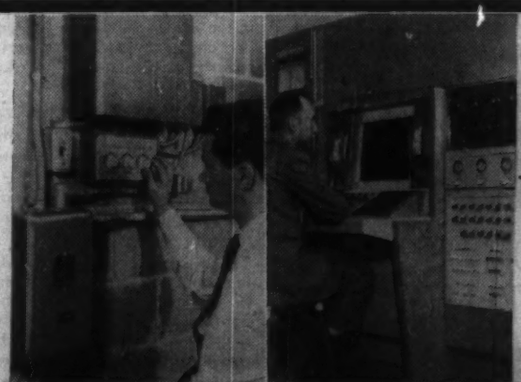
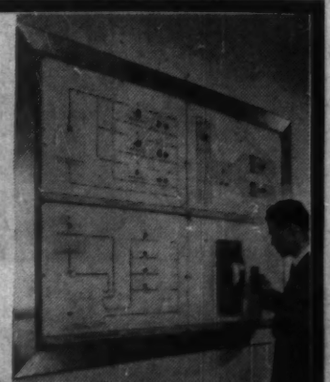


THIS SUPERVISORY DATACENTER incorporates a graphic layout in colour of a complete air conditioning system. It was designed to give a medium-size building all the economy and efficiency made possible by such centralized control of temperature.

THE HONEYWELL SELECTOGRAPHIC DATACENTER saves space by projecting floor plans and system diagrams at the touch of a button on the console screen. The operator can check temperatures and adjust key operating points for that floor or system. Thus one set of control buttons —one compact unit—can regulate the entire air conditioning system of any size building.



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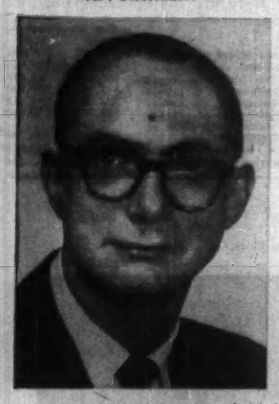

JOHN J. VINCE

The appointment of John J. Vince to the Creative Department of J. Walter Thompson Co. Ltd., Toronto has just been announced. Mr. Vince joins the company in a senior creative position, specializing in sales promotion. He comes to JWT with almost twenty years' agency experience, having worked in a senior capacity with four other U.S. and Canadian agencies. His work has included automotive, petroleum, food, industrial, institutional and organizational advertising. Canadian born, Mr. Vince holds a BSc from the University of Toronto and a PhD from the Sorbonne, Paris.

Beaver Club

The new purchase of this investment club . . .

RAPID GRIP & BATTEN

Here is the monthly report by the fund manager to the members of the Beaver Club on the fund's operation:

On Oct. 27 we purchased 15 shares of **Rapid Grip & Batten Ltd.** at $13½ to yield 4.44%.

This is a company whose sound progress we have watched for some years and whose stock we have eyed as a desirable addition to our Beaver Fund portfolio. Unfortunately, although the shares are listed on the Toronto Stock Exchange, they trade rather lightly and could not easily be acquired in the amount and at the price which we wanted.

There are only 126,500 shares outstanding and the majority of these are closely held by the controlling shareholders of the company.

The only time the public has had an opportunity to participate in the ownership of Rapid Grip & Batten was in 1954 when 30,000 shares were underwritten and sold at $5.75 per share. Earlier this year the stock reached a high of $16½.

RGB's business is in the field of printing, "advertising production" and all related products and services. As well as manufacturing plants in Toronto, Montreal, Ottawa and Winnipeg, sales outlets are maintained in all the principal cities in Canada. Company occupies a leading position in its industry and is the largest manufacturer of printing plates in the country.

Company's origins date back to 1873 in the engraving department of a small Toronto weekly known as "Grip" which a few years later became **Grip Printing & Publishing Co.**

This company negotiated several mergers, including one with **Rapid Electrotype Co. of Canada** and in 1926 the name of the combined businesses became **Rapid Grip Ltd.**

In 1931 an amalgamation was completed with an engraving company called **Batten Ltd.** — hence the present name Rapid Grip & Batten. Since then the company has enjoyed the very able management of members of the Batten family who have controlling interest.

An examination of RGB's growth pattern of the past five years reveals an unusually favorable trend. Earnings have grown steadily and their pattern provides an excellent example of the favorable effects of leverage for the common shareholder.

Earnings before fixed charges of bond interest, depreciation and income taxes, have risen 46% from $403,000 in 1954 to $589,000 in 1958.

Net earnings after these charges have risen 104% from $123,000 to $251,000.

Per share earnings available to the common shareholders have risen 129%.

The following per share figures have set a pattern which, if it persists in the future, should bring further appreciation in the price of the stock:

	Earnings Per Share $	Dividend Rate $
1958	1.79	0.60
1957	1.61	0.50
1956	1.32	0.50
1955	1.05	0.40
1954	0.78	...

The relatively low percentage of dividend payout has helped to build up the common shareholder's per share equity from $5.82 to $9.51 and working capital from $860,000 to $1,060,000. In the same period funded debt has been reduced from $642,500 to $511,500.

Early in 1959 the president announced that prospects for the year appeared "promising" and we understand that results to date indicate that shareholders will not be disappointed.

On Nov. 1, a new member joined the Beaver Club, bringing our membership to 21.

The Beaver Club is a typical operating investment club. It has 21 members. Its stock purchases and sales are decided by a professional investor.

Stocks bought for the Beaver Club are not necessarily suitable for all investment clubs. Beaver Club members are nearly all young and their incomes are quite substantial. They can afford to take risks of loss which are inappropriate for some clubs.

The Beaver Club policy is quite definitely an aggressive search for attractive longer-term growth investments. —The Editor

Beaver Club Monthly Statement

AS AT OCTOBER 31, 1959

To Oct. 31, each original Beaver Club member had contributed $490. This investment in the fund was worth $601 at Oct. 31.

	No. of Shares	Av. cost per Share $	Market per Share $	Total Current Value $
Abitibi Power & Paper	15	31.75	37½	562.50
Algom Uranium	40	19.34	13¾	550.00
British American Oil	10	38.00	33¾	337.50
British Columbia Power	25	37.30	24⅜	859.38
Canadian Bank of Commerce	20	45.23	57¾	1,155.00
Canadian Breweries	10	34.82	36	360.00
Canadian Hydrocarbons	25	10.08	10	250.00
Dominion Tar & Chemical	25	8.87	16⅛	403.12
Interprovincial Building Credits	25	9.25	10½	262.50
Interprovincial Pipe Line	30	40.08	57¼	1,717.50
Loblaw Companies B	25	25.10	26	650.00
MacMillan & Bloedel B	10	27.00	37⅛	371.25
Massey-Ferguson 5½% convertible preferred	5	104.50	103	515.00
Moore Corp.	15	16.33	39	585.00
Pacific Petroleums	10	18.25	13¼	132.50
Quebec Natural Gas	20	18.63	15	300.00
Rapid Grip & Batten	15	13.50	13½	202.50
Salada-Shirriff-Horsey	45	3.50	10⅞	489.38
Steel Co. of Canada	5	56.05	81	405.00
G. Tamblyn	20	26.25	26½	525.00
Trans-Canada Pipe Lines	10	11.20	27¾	277.50
John Wood Industries A	25	28.70	28	700.00
				11,610.63
Deduct debit with broker				254.05
Net asset value				11,356.58
Total contributions to date				9,332.67
Net asset value per dollar invested				1.22
No. of Beaver shares outstanding Sept. 30				660.7374
No. of shares purchased Oct. 1 (20 x .5868)				11.7360
No. of shares outstanding Oct. 31				672.4734
Net asset value per Beaver share				$16.8878
Nov. 1 payment will purchase				.5921 shares

CNR Deficit $1.6 Million

MONTREAL (Staff)—Net operating income of **Canadian National Railways** during September was $485,000, compared with a $38,000 deficit for the same month last year.

Operating revenues rose to $64.2 million from $57.8 million. Expenses increased to $63.7 million from $57.9 million in September last year.

Nine-month figures show CNR with a deficit of $1.6 million, compared with a $17-million deficit for the same period last year.

The figures show:

MONTH OF SEPTEMBER	1959 $	1958 $	Increase $
Op. rev.	64,158,000	57,841,000	6,317,000
Exp. taxes & rents	63,673,000	57,879,000	5,794,000
Net op. inc.	485,000	38,000*	523,000
9 MO. FROM JAN. 1	**1959 $**	**1958 $**	**Increase $**
Op. rev.	$54,167,000	521,928,000	32,239,000
Exp. taxes & rents	535,810,000	538,944,000	16,866,000
Net op. inc.	1,623,000*	17,016,000*	15,393,000

*Deficiency.

Alberta Drinkers Spend $66 Million

From Our Own Correspondent

EDMONTON — Alberta's "wets" provided the provincial treasury with a profit of just over $19 million in the fiscal year ended March 31.

This record liquor profit is regarded as significant, especially because the government ended the fiscal year with a $31,446,000 surplus on general operations.

The public accounts released by Provincial Auditor C. K. Huckvale reveal that Albertans spent $66,683,000 on liquor and beer during the year, $34,475,000 on liquor and $32,208,000 on beer.

The Liquor Control Board had a gross profit on sales of $22 million, but this was reduced by operating expenses.

Edmonton led the rest of Alberta with liquor and beer sales of $24,550,000, compared with Calgary's $18,714,000.

On beer alone, Edmonton spent $9,222,000, as against Calgary's $5,781,000.

The public accounts showed that main items of government revenue included: $122,897,000 from fees; $31,331,000 from taxes; $22,707,000 from refunds of expenditures; $46,340,000 under the federal-provincial tax agreement; $14,655,000 from revenue producing assets; and $12,328,000 from licences, outside of trading profits, mostly liquor sales.

Main items of expenditures on income account: $81,962,000 on public welfare, charitable grants and institutions; $58,288,000 on education; $18,766,000 on highways, bridges and ferries; and $14,203,000 on general government.

The funded and unfunded debt at March 31, 1959, was $33,343,533, an increase of slightly more than $1,000,000 in the year. Certain guarantees raise the over-all debt to $101,639,303.

The debt and guarantees are offset by consolidated assets of $384,972,000.

"In all my years of real estate I've never known better values than 801 Bay Street!"

says Bud Farlinger of Farlinger & Langer

Mr. Farlinger would be happy to detail exactly what he means by showing you round this fine new building himself. In addition to the extremely favourable rental story, which Mr. Farlinger would discuss with you, we can tell you briefly that 801 Bay Street enjoys a very convenient prestige location — at the corner of College and Bay — and moreover is completely equipped with every appointment a successful, forward-looking company deserves. Why not have your secretary call Mr. Farlinger at WA. 4-6607 to arrange a meeting?

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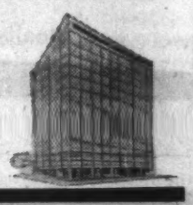

Agents for **801 BAY STREET** *at College*

MOUNT WRIGHT RESULTS

A diamond drill probe of the Labrador iron property of **Mount Wright Iron Mines** has been completed. Total of 4,909 ft. has been completed in 12 holes. According to the consulting engineer, drilling has outlined over 147 million tons of iron ore grading about 30%. It is estimated that 22 million tons would be available for open pit mining.

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Low Cost Group Life For Rural Canadians?

From Our Own Correspondent

WINNIPEG—Low-cost group life insurance may become available to rural dwellers for the first time, if a plan sponsored by Canada's oldest farm co-operative is put into effect.

Details and form of the contract are now being worked out between **United Grain Growers Ltd.** and **Great-West Life Assurance Co.,** Winnipeg, under which life insurance protection will be open to some 60,000 shareholders and customers of the prairie grain company by the spring of 1960.

To the present time, group life insurance in this country has been confined to urban employee groups or members of industrial associations.

Form of the proposed group policy is understood to contemplate a combination of both term and ordinary life insurance which, after a fixed period, will have a residual cash surrender value.

Premiums may be paid in cash or by authorized deductions from cheques of applicants who have made grain deliveries to the company.

Limits of the coverage have still to be decided, but it is understood that the maximum amount payable is not likely to be less than $5,000, and may be more.

The schedule of premiums has not been settled. However, it is suggested that for age groups up to 32 years the annual cost may be less than $6 per $1,000 principal.

United Grain Growers' president, J. E. Brownlee, says that the new group plan is in line with company policy of providing means by which farmers can get low-cost basic insurance protection.

The proposed life insurance program is similar to a plan providing for insurance against farm accidents which the company took out with Great-West Life in 1957.

Dravo Bid Wins Waterworks Job

Ontario Water Resources Commission has awarded a $155,940 contract to **Dravo of Canada Ltd.,** Toronto, for construction of waterworks intake and crib structure for Dunnville.

It is first stage in that town's projected water supply system which will involve a pipeline of about 4½ mi. long from Lake Erie and another of 3½ mi. direct to several district industries in the vicinity of Port Maitland.

Alrex Contracting Ltd., Georgetown, was awarded two contracts totaling $139,600 to construct a sewage lagoon, outfall sewer and a forcemain in Listowel.

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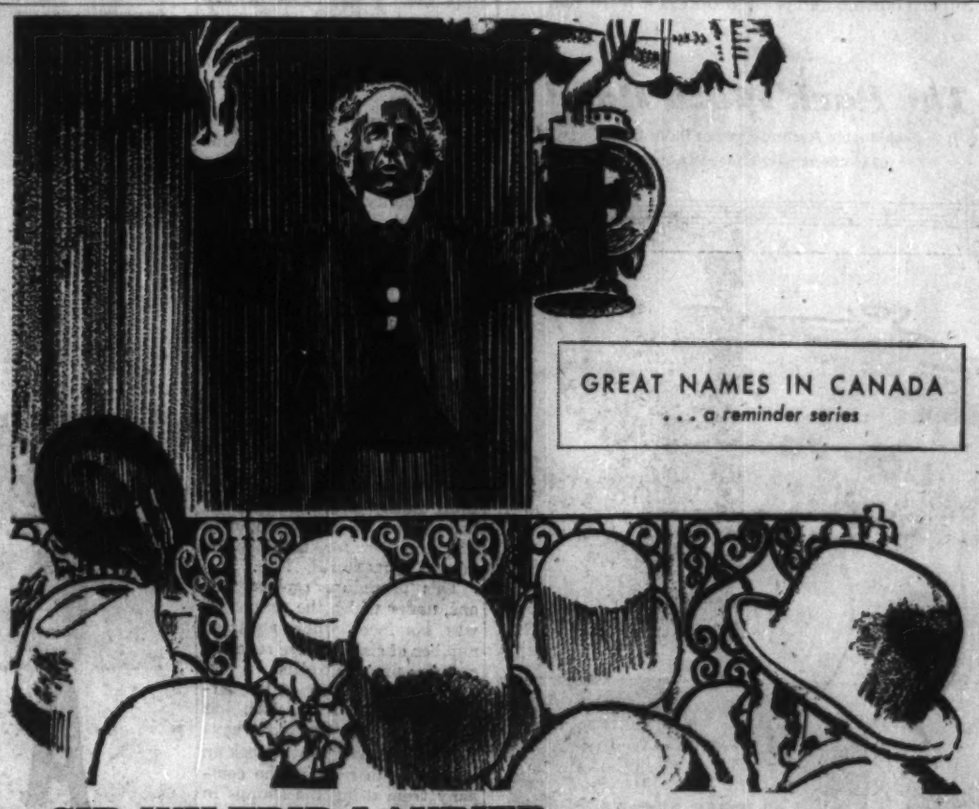

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Sir Wilfrid was an individualist and possessed a broad recognition and respect for private enterprise as opposed to state intervention in business. He pioneered in molding the French and English speaking Canadians into one harmonious group retaining the culture and heritage of both to the advancement of our country.

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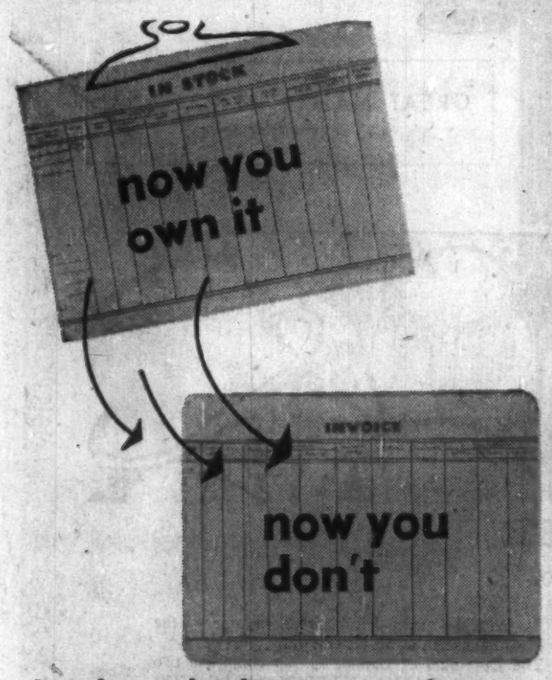

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Port Shares Grain Trade

New Baie Comeau grain port stirs up trading patterns . . .

By JACK McARTHUR

MONTREAL (Staff) — The great guessing game about the future pattern of Canadian grain exports has begun.

Touching it off:

The fact that at midweek a new Canadian grain port was about to be born. The big new **Cargill Grain Co.** elevator at Baie Comeau was expected to begin receiving grain.

First question:

Who's it going to hurt?

No doubt the presence of a new 11.5 million bu. storage capacity on the lower St. Lawrence will stimulate some entirely new business.

But observers are sure that it will also take away business from older ports. If, for instance, it reaches its objective of an annual handle of 75 million bu. of Canadian and U.S. grain, there may be a considerable loss for other east coast ports.

"There certainly will be some adverse effect for Montreal," said a shipping expert at that largest of eastern grain shipping ports.

Halifax and Saint John for months have feared that the opening of Baie Comeau, combined with success of efforts to keep the young port open all winter, would slice into their traditional winter grain business.

(Their fears were further confirmed last week when Transport Minister Hees said his department hopes to assure full winter navigation of the lower St. Lawrence this season. DOT should be able to undertake standing patrols by ice-breakers.)

It's hard to predict how much grain Baie Comeau will ship this winter.

That will depend upon the success of strenuous efforts to move grain into the elevator in the next few weeks.

In any event, the deeper significance will lie in longer-run developments.

Montreal has worries enough about its status as a grain shipper. So far this year its overseas shipments have totaled about 63 million bu. compared with 86 million last year. The ports of Vancouver and Churchill have improved their positions rapidly as grain ports, compared with Montreal.

The existence of the Seaway apparently saved Montreal from an even sharper drop this year.

It stimulated heavy shipments of U. S. grain via Montreal — about 23 million bu. this year compared with eight million last year. Thus overseas shipments of Canadian grain from Montreal have been almost cut in half this year.

Montreal must now consider whether the existence of the Baie Comeau elevator will attract much U. S. grain which otherwise would come through Montreal elevators.

Loblaws Still Gives Stamps In Manitoba

From Our Own Correspondent

WINNIPEG — Pending outcome of the case already in the courts, Attorney-General Sterling Lyon is not likely to take any further action to restrain **Loblaw Groceteria Manitoba Ltd.** from issuing its Lucky Green stamps in Greater Winnipeg stores.

The company was convicted Oct. 14 and fined $25 on an information laid under the Criminal Code. Notice of appeal to a County Court judge has been filed.

The company might have gone direct to the Manitoba Court of Appeal in a stated case, but elected to follow the step-by-step procedure of the statutes.

The County Court hearing will likely come in late December. Regardless of the decision it will likely go to the Appeal Court which may not rule on it until February.

Meantime Loblaws is still issuing Lucky Green stamps, but has agreed to redeem them in any number for merchandise bought at its stores.

This procedure replaces the one, under which the conviction was obtained, when a stated number of stamps were redeemable for premium gifts.

Manitoba section of the Retail Merchants Association has been pressing the Attorney-General's Department to seek an injunction to restrain the company from using the stamps in any form.

It will likely be refused.

Reason: If a new action were started, the points of law involved would be identical with those in the case before the courts.

For this reason the province will await final decision in the one already started.

United Towns May Seek Funds

MONTREAL (Staff) — New financing for **United Towns Electric Co.** is contemplated, following proposed changes in the trust deed aimed at facilitating issue of further first mortgage bonds.

The changes will be submitted to meetings of bondholders in Montreal Nov. 20. At present there is no fixed limit on authorized first mortgage bonds.

However, there are a variety of limitations depending upon company operations.

Company directly and through subsidiaries generates and distributes power for communities in heavily populated eastern Newfoundland. It expects soon to need additional money for expansion.

Jump in Builders' Loans Dried up Housing Funds

OTTAWA (Staff)—A tremendous upsurge in loans to home-building contractors caused the shortage of housing funds revealed last week when the government ended CMHC's lending program for the year.

By Oct. 23, 10,556 loans to housebuliders had been approved under the small homes direct loan program announced late in July (**FP**, Aug. 1). CMHC had only $49.7 million of housing funds left in the till.

When the cutoff was announced Oct. 26, CMHC had applications for about 5,000 housing units in various stages of processing.

Normally, about 10% of aplications don't meet requirements. It was calculated that about 4,500 applications on hand would be up to par and that about 2,000 would be approved under the program.

This was the basis of Works' Minister Walker's estimate that the builders' program would result in the financing of 12,500 units. When Prime Minister Diefenbaker announced the scheme, he said it should provide funds for 10,000 units.

CMHC monthly statistics of approved loans don't differentiate as to program.

In July, before the builders' program went into effect, CMHC approved 2,728 loans, including owner - applicant and limited dividend loans. In August, this figure was 2,197, in September, 9,110, and in October, 5,000.

Most of the September and October loans went to builders.

Last May, when Parliament gave CMHC $350 million in lending funds, the corporation had about $75 million left over from previous appropriations. The new funds boosted CMHC's bankroll to about $425 million.

By July 24, this had been reduced to $238 million, by Aug. 21, to $206 million, by Sept. 24 to $104 million.

The loans - to - builders program was primarily responsible for the $102-million drain on the fund between Aug. 21 and Sept. 24 and for the $55-million drain between Sept. 24 and Oct. 23.

Early last summer, CMHC was predicting 140,000 housing unit starts this year (**FP**, July 18). During the summer, officials were using the figure 135,000.

But CMHC is now back to its original 140,000 figure, partly because of the builders' loans program.

If this figure is reached, it would be second only to last year's 164,000.

Housing units under construction now total about 80,000. There should be a carryover into next year on about the same scale as last year, providing the basis for a substantial housing year in 1960.

Walker, in making his announcement on the cessation of loans last week, said that additional funds will be sought by the government early in the next session of Parliament to meet the strong and continuing demand for small homes and low-rental accommodation.

National House Builders Association is now surveying its member locals across Canada, will meet with Walker in December to discuss housing industry problems. Most important one: mortgage money.

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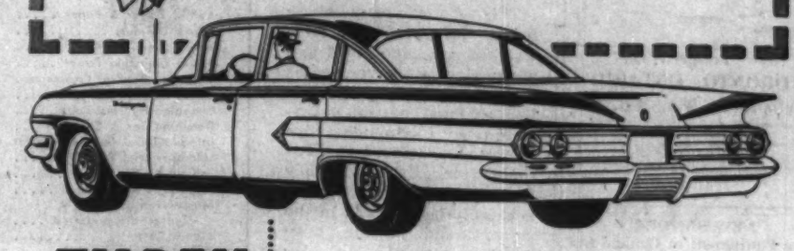

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Higher Grade Aids Campbell Profits

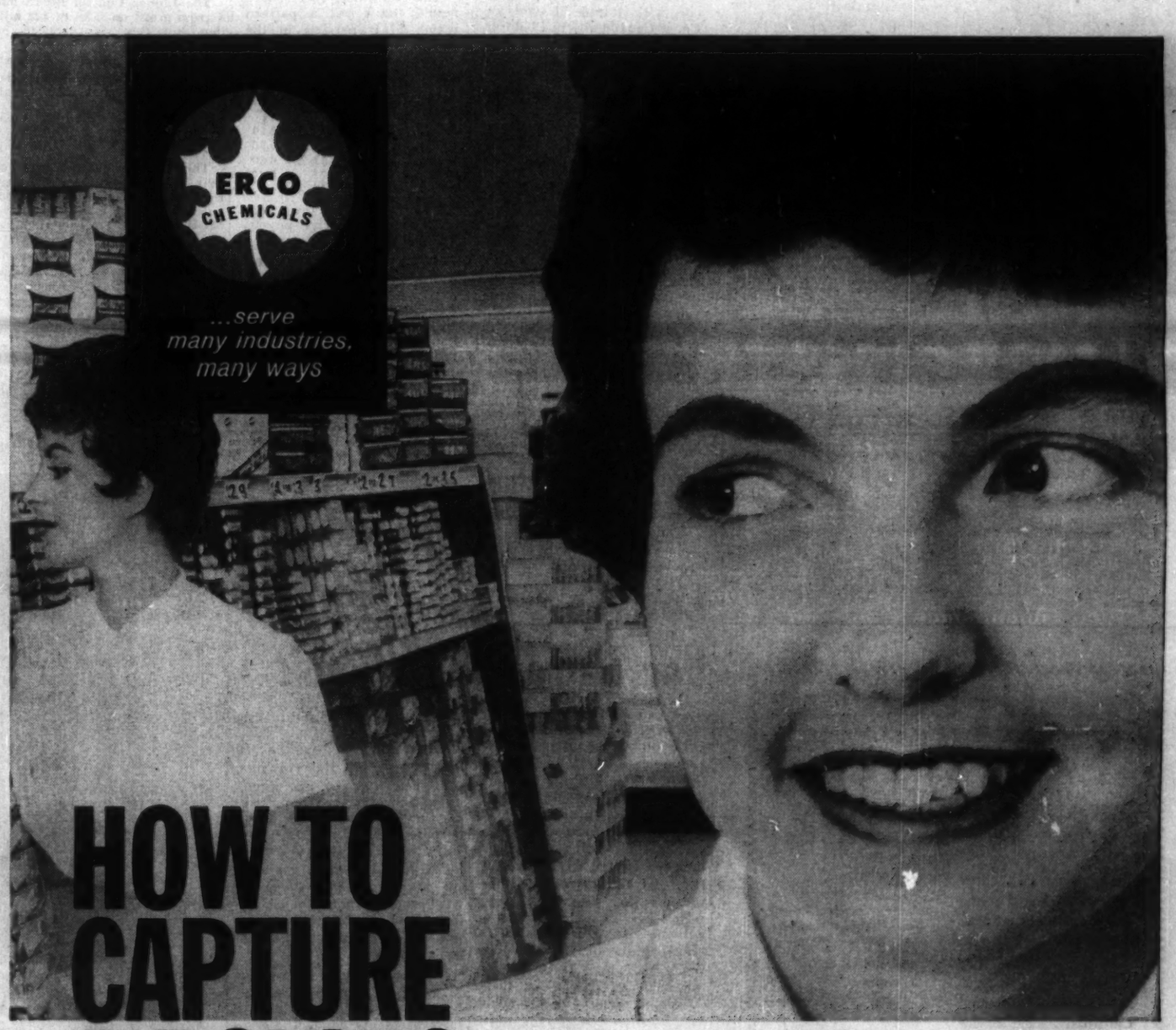
Campbell Red Lake Mines, the northwestern Ontario gold mining subsidiary of **Dome Mines** showed a slight gain in profits in the first nine months of 1959.

Net of $1,306,268 or 32c a share was ahead 5% from $1,242,504 or 31c a share in the same period last year. Net in the first half was up 2% from the first 1958 half.

Both higher grade ore, up $1.31 per lb. to $21.36, and lower operating costs, down 9c per ton at $8.41, were factors in the increase.

Here are the operating results:

	—First Nine Months— 1959	1958
Tons milled	192,953	191,494
Bullion	$4,110,413	$3,828,574
Other income	103,371	95,576
Operating costs	1,423,181	1,427,330
Depreciation	474,886	368,418
Mining tax	131,990	140,000
Outside exploration	12,510	.....
Income taxes	645,470	546,200
Est. net profit	1,306,268	1,242,504
Earnings per share	32c	31c



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COMPLETE SERVICE FROM ONE SOURCE— ERCO is the world's leading producer of sodium chlorate, the raw material for Chlorine Dioxide • provides complete service in the design and construction of your generator plant • evaluates your bleaching problems in our own laboratories • continues to supply research and new technical advice after installation of ClO_2 processing.

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ESTABLISHED 1817
Head Office: Sydney, Australia
International Division — John W. McEwen, Manager.

Letter from London

Booming Britain pays a U. S. debt five years ahead of time . . .

By ADELPHI

BRITAIN is booming!

If there are any who doubt the truth of that statement let them take notice that Britain has just repaid a £85,258,000 ($250 million) debt to the U. S. 5½ years before she need have done.

It is not without a touch of irony that the money was borrowed during the Suez crisis.

The repayment won high praise for the U. K. in the U. S. headlines.

TV cameras recorded the happy scene as the Earl of Cromer, Economic Secretary at the U. K. Embassy in Washington, handed over a letter which duly transferred the dollars. So the Anglo-American Entente is shimmering with a fresh splash of glory.

* * *

Who said too old at 60?

As I recently mentioned there was a huge Fleet St. dinner in honor of the 80-year-old Hannen Swaffer who is still the best reporter in Fleet St.

A few days later there was a celebrity luncheon to celebrate the publication of a new biography of the composer Delius. And who is the author? No less a person than the 80-year-old Sir Thomas Beecham.

To finish the trilogy Sir Winston Churchill, having been duly elected as an MP, took the oath and thereby became a fully fledged MP once more.

* * *

Mrs. Margaret Baird sailed this week for South Africa where she is to make her new home. She is a fine woman but she must have bitter memories.

It was her handsome, shock-headed husband, John Logie Baird, who invented television but he could get no one to back him financially.

Even when he demonstrated that a chairman of a company could address his shareholders 40 mi. away there were no takers. Weary and discouraged he died before his time and almost penniless.

Of all the success stories in the history of man this must be one of the saddest.

* * *

Now let us praise a Canadian visitor to England.

The Premier of Saskatchewan, The Hon. T. C. Douglas, made a splendid impression when he addressed the Canada Group of the Conservative Commonwealth Council in a committee room in the House of Commons.

Without flamboyancy or false modesty he gave a picture of his province which was admirable in its clarity. Nor did he try to hide the shadows which darken the scene in the great West.

It is hard to remember any recent Canadian visitor to Westminster who has made so good an impression with so little effort.

* * *

There was a sad but human incident during the long-drawn-out debate on the Speech from the Throne.

An MP named Baxter got up to make a speech but hardly had he got going when, to use a theatrical term, he dried up.

There he stood, but the words would not come. Completely beaten he sat down.

But there was a murmur of sympathy and understanding which helped to lessen his embarrassment. Being a new member it was his first attempt to address the House and that is an ordeal for any man.

* * *

There were great doings in Whitehall despite the drizzle of rain when a statue to Sir Walter Raleigh, complete with doublet, sword and cavalier hat was unveiled. More than any other man he is given credit for the discovery and use of tobacco.

Those of us who gathered to celebrate the occasion heard nothing but praise of the great adventurer — and none of the speakers referred to the fact that he ended his days on the execution block.

* * *

It takes a lot to make politicians blush but Mr. Wilson, the Opposition front bencher who would have been Chancellor of the Exchequer if the Socialists had won, succeeded in accomplishing the difficult task.

He is a lively debater who likes to surprise his listeners, but there was a deep silence when he ventured into the dangerous realm of satire.

"The Soviets," said Mr. Wilson, "have photographed the reverse side of the moon. The summit of Western achievement is an aspiration to photograph the reverse side of Miss Jayne Mansfield!"

A deep and embarrassed silence greeted his sally.

If only some Tory had said "Cheap!" the House would have brushed it off and Wilson might have recovered with a quick retort. As it was he had to hold the baby all by himself.

* * *

The newly elected chamber has not yet settled down. The newcomers still feel strange and the old members find it difficult to sense the atmosphere of the freshly elected House.

However, when Parliament finishes with the drawn-out debate on the Gracious Speech (which for the best of reasons was not read by Her Majesty in the Upper House) it will soon be seen what the new talent will bring forth. On the whole they look like a good lot.

* * *

Meantime the huge-circulation tabloid Daily Mirror has come under sharp criticism with its front page headlines: "WHY I HID MY WIFE'S SUICIDE By a clergyman."

The only reasonable deduction to be drawn was that the bereaved clergyman, on discovering that his wife had committed suicide, promptly sat down and wrote an account of the tragedy for the Daily Mirror.

Actually the words printed were spoken by the bereaved husband to the coroner conducting the inquest.

* * *

The Stock Exchange goes merrily on and the plus signs are much in evidence. Mr. Roy Thomson's Kemsley shares continue to move upwards. Incidentally he has made a clean sweep of the relatives of Lord Kemsley who were sprinkled across the group from London to Aberdeen.

One of the reasons for the rise in "Thomsons" (which will be the new name on the Stock Exchange) is that the famous Canadian tycoon will amalgamate his Kemsley newspaper and TV interests and presumably the "Scotsman" newspaper of Edinburgh into one combine.

but it's harder on the one who's left behind

—a new widow wondering what she can do with three children under seven.

A young mother with only one small child can usually find someone to provide day care while she goes back to work to earn a living for *two* people. But who is willing to care for three or four small children? And what young widow can earn enough to house, feed and clothe a family of four *and* pay a housekeeper?

Wise young fathers consider adequate life insurance a "must"—and get as much *permanent personal* life insurance as they can . . . while they can!

The EXCELSIOR LIFE Insurance Company
70 years of service to Canadians
Branch Offices in principal cities from Coast to Coast in Canada.

CONTEST BENEFITS CHARITY

The Canadian Hearing Society has received $1,600 in Zenith hearing aids as a windfall from a contest held by **Zenith Radio Corp., Chicago.** The hearing aids will be distributed to indigent hard-of-hearing individuals. Winners of the contest donated the hearing aids.

100 SYLVANIA FLUORESCENT LAMPS = 108 ORDINARY FLUORESCENT LAMPS

Greatest step forward in fluorescent lighting in years, new Sylvania lamp ratings mean you get a dividend of light equal to *eight extra lamps* for every 100 ordinary lamps you use. Sylvania fluorescent lamps not only deliver greater light output but this increased light is produced with the same wattage. With new Sylvania Fluorescent Lamps, you can be sure of longer lamp life, fewer lamp failures and decreased overhead costs. To learn how leadership in lighting engineering can bring more light at lower cost to your operation, see your Sylvania representative, or write: Sylvania Electric (Canada) Ltd., 6233 Cote de Liesse Road, Montreal 9.

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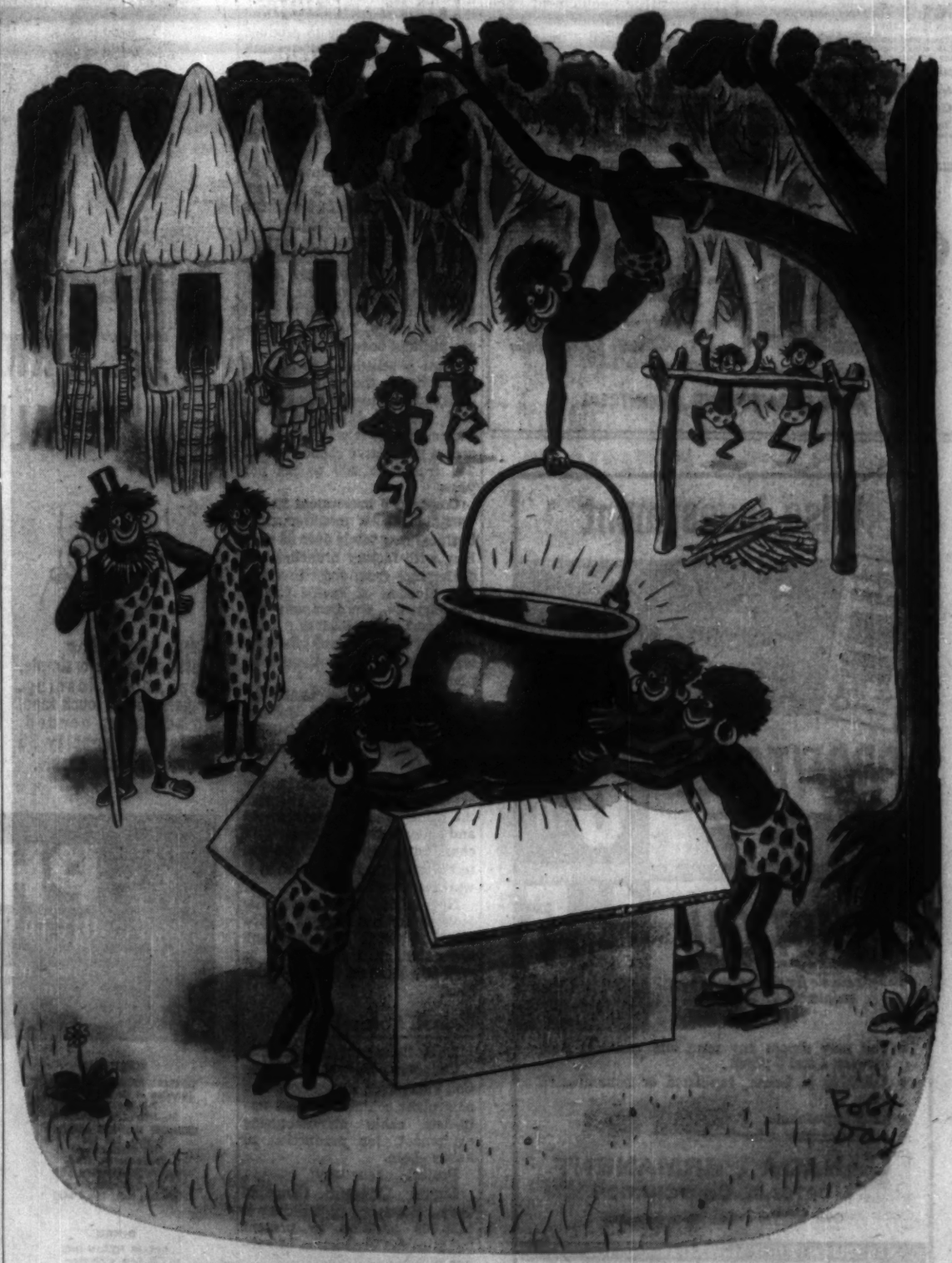

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Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation.

Toronto

Trane Co. of Canada will add 55,900 sq. ft. to its Toronto plant. Completion is scheduled for May. Addition will bring total factory and office space to 275,400 sq. ft.

Labelled "a million-dollar preparedness program" by the company, this amount will cover the expansion, new equipment and increased finished-goods inventories.

Principal reason for the program: Growing customer preference for made-in-Canada products.

Although 85% of Trane's total sales are made in this country, the company plans to manufacture still more of the component parts now being imported. The move, company believes, will also decrease some of its vulnerability to strikes and slow deliveries from feeder plants outside Canada.

Growing sales of air conditioning products and prospects of several new products to be introduced in 1960 were also given as reasons for this 32% increase in production capacity.

Hot summer of 1959, says the company, meant a boom season for air conditioning. In spite of record shipments every month since June, the company still has the largest backlog of orders in its 35-year history.

E. C. Phillips, vice-president and general manager, said the new program will shorten delivery cycles on all products in 1960 much below this year's schedules.

"We may have a bit more capacity than really necessary for 1960, but it will be tight in 1961 and we will likely be building again for 1962."

Proposal to merge **Consolidated Electrodynamics Corp.**, with **Bell & Howell Co.**, parent company of **Bell & Howell Canada Ltd.**, Toronto, has been approved in principle by directors of both companies.

A detailed merger agreement will be developed and submitted to the directors and share owners of both companies for approval. Bell & Howell make photographic equipment and supplies. Consolidated is an electronics and instrument manufacturer.

Dundas, Ont.

John Bertram & Sons Co., Dundas, Ont., has signed an agreement with **E. W. Bliss Co. of Canada**, Toronto, to manufacture the full line of Bliss metal-working machinery in Canada.

Equipment includes rolling mills and auxiliary equipment, Mackintosh-Hemphill pipe, tube and rod straightening machinery, roll turning lathes and related equipment, plus the Bliss line of mechanical and hydraulic presses.

Robert Potter, president of Bliss, said the new arrangement will result in more favorable terms to Canadian purchasers of Bliss machinery and in the manufacturing in Canada of the complete line of Bliss equipment.

E. W. Bliss Co. of Canada has been in operation for 20 years. Until now, its sales have been primarily press room equipment made by E. W. Bliss's plants in the U. S. and by its European subsidiaries.

E. W. Bliss Co. of Canada is a subsidiary of **E. W. Bliss Co.**, of Canton, O., while John Bertram & Sons Co., is a subsidiary of **Russell Industries Ltd.**

Ottawa

St. Lawrence Cement Co., has acquired over 10 acres in Southeast Ottawa on Innes Rd., on the main **CNR.** line. Company will start construction of a storage silo capable of unloading two railcars an hour. Capacity of the rail siding is 20 cars.

St. Lawrence cement will be available in bulk and bags to the entire Ottawa area.

Installation will be completed early in 1960 but St. Lawrence has already set up temporary handling procedures to make the product available at once.

Vancouver

Columbia Engineering Co., Vancouver, will be consulting engineer for a new flakeboard plant to be installed at Albany, Ore., by **Willamette Valley Lumber Co.** Plant will be operated under the name of **Wood Fiberboard Co.**

Mill, now on Columbia's drawing boards, will combine the best of North American and European machinery to produce a board of exceptional strength and surface characteristics from barked slabs and planer shavings.

Mill will be so highly automated that it can be operated by 12 men per shift.

Formed by a group of Vancouver engineers who foresaw the future of the fast-growing industry, Columbia Engineering has been active in the particle board field for 10 years and is said to be one of only three consulting firms on the continent (and the only one in Canada) to design, build and operate particle board plants.

Plant is scheduled to go into production in the spring of 1960.

Canadian Kenworth has started a $250,000 expansion of its Vancouver plant which will increase productive capacity from 240 trucks to 400 trucks per year.

Company's investment in the Canadian truck manufacturing business now totals over $2 million, with factory branches and dealerships from coast to coast.

A division of **Pacific Car & Foundry Co.**, the company designs and manufactures a wide range of highway and off-highway trucks in its Vancouver plant.

Expansion covers 16,800 sq. ft., enabling relocation and expansion of existing departments and introduction of some new ones.

Production area will be increased by 9,600 sq ft. to house the frame assembly department and a new test department, with chassis dynamometer which will test Kenworths under simulated working conditions.

New cranes, drills, pneumatic tools, lathes and welding equipment to work on steel and aluminum, will be added, as well as a 7,200 sq. ft. warehouse area.

British Columbia

News from British Columbia:

Canadian - Norwegian Chain Co., Vancouver, has completed a new plant containing most up-to-date chain manufacturing equipment, for production of heavy chain.

Projects under way:

Liquid Carbonic Canadian Corp., Burnaby, is building a $120,000 addition to present facilities for production of carbon dioxide.

Stauffer Chemical Co. of California, Nanaimo, is building a $250,000 bulk storage plant for salt cake used in the pulp and paper industry.

Proposed: A 138,000-v. line from Kitimat to Terrace costing $1.2 million by **B. C. Power Commission.** Commission will purchase power from **Aluminum Co. of Canada** and will service Terrace, Smithers and Hazelton and eliminate diesel power plants at these centres.

Cornwall, Ont.

St. Lawrence Seaway Authority has awarded a $3,174,948 contract to **Canadian Bridge Division, Dominion Steel & Coal Corp.**, Windsor, Ont. for the construction of the superstructure and deck for Cornwall North Channel bridge.

Bridge will provide a pedestrian and highway crossing of the north channel of the St. Lawrence River between Cornwall and Cornwall Island and of the Cornwall Canal. Completion is scheduled for the summer of 1961.

The one-mile bridge and approaches have a 27-ft.-wide roadway. It will be composed of a series of continuous-truss-type spans and will replace the present Roosevelt Bridge half-a-mile upstream.

St. Lawrence Seaway Authority and Saint Lawrence Seaway Development Corp. (U.S.) have already built a new bridge over the south channel between Cornwall and the U. S. mainland.

C. A. Pitts, Toronto, and **Canadian Bridge Ltd.**, have already been awarded contracts valued at $1,563,783 and $204,882 respectively for piers and abutments on the new project.

These Debentures having been sold, this advertisement appears as a matter of record only.

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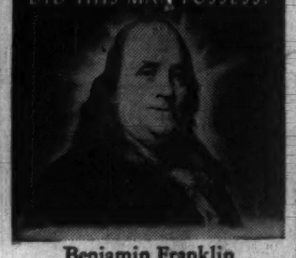

Benjamin Franklin
(A Rosicrucian)

WHY was this man great? How does anyone—man or woman—achieve greatness? Is it not by mastery of the powers within ourselves?

Know the mysterious world within you! Attune yourself to the wisdom of the ages! Grasp the inner power of your mind! Learn the secrets of a full and peaceful life!

THIS BOOK FREE!

Benjamin Franklin—like many other learned and great men and women—was a Rosicrucian. The Rosicrucians (NOT a religious organization) first came to America in 1694. Today, headquarters of the Rosicrucians send over seven million pieces of mail annually to all parts of the world. Write for YOUR FREE COPY of "The Mastery of Life"—TODAY. No obligation. No salesmen. A non-profit organization. Address: Scribe M.C.W.

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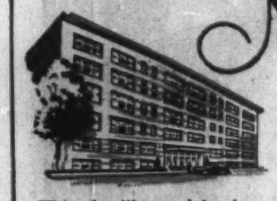

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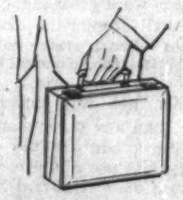
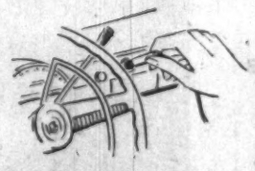
THE NAME IS **PHILIPS**
THE PRICE IS **$179.50**
THE VALUE IS TERRIFIC

Now at last—a compact (just 8" x 10" x 4")—lightweight (only 8 pounds) low cost dictating machine. Designed and built by Philips, the finest name in electronics. Priced at only $179.50, (combination unit with transcribing accessories $204.50) this amazing new dual-purpose, electronic dictating machine is the most outstanding value in the office equipment field. Take advantage of Philips free 5 day trial offer now! Fill in the coupon below.

Tape Magazine
Plastic magazine for simple, clean, quick loading. Fingers do not touch tape, no adjusting needed. Dictating capacity 35 minutes. Tape re-usable.



Carrying Case
Sturdy, simulated leather carrying case contains dictating unit and accessories.



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Simply plug in mobile power converter. Makes Philips Dictating Machine usable anywhere, anytime. A tremendous time saver for travellers.

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Fits hand comfortably, fingertip control. Microphone records, speaker plays back. Easy erasure. Pilot light indicator.

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Two types for transcribing. Simple earloop type permits answering phones, stethoscope type cuts out all extraneous noises. Clear, rich sound cuts down errors.

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AUTHIER ET FRERE ENGR., 261 Principale, Granby, P.Q.
P. OULETTE INC., 29 St. Charles Street, St. Johns, P.Q.

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THIS "DROMEDARY" truck hikes payloads 25%, Vancouver maker says. High-class freight can be loaded in the tractor chassis box; regular loads in the conventional trailer.

What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites your contributions. Write to 481 University Ave., Toronto.

PACKAGING idea for retail stores is a patented "box carrier" that packs and folds flat like a bag, yet opens up like a box. It's made of heavy kraft paper and has soft carrying handles. Costs less than an ordinary box too, maker says.

* * *

CUTTING mechanism mounted on a boat rids waterways, ditches, rivers and lakes of water weeds. Dutch-made craft draws only 4.7 in. and requires a water level of at most 16 in. Cutter bar and boat are driven by 8-hp gas or diesel engine.

* * *

SHEET EXPLOSIVE "work-hardens" irregular surfaces of manganese steel, such as frogs, switches and crossings of railways. You cement the sheet flat against the steel surface, detonate it, and pressures of up to two million lb. sq. in. harden the surface.

* * *

PENCILS TO PLEASE: For the sucker, a pencil with a lollypop on the eraser end — with a whisky flavor, if you wish. For the gambler, dice pencils with spots on six sides, so when you roll two pencils, you have a pair of dice. For the playful, pencil with a tiny yo-yo at the eraser end. For the musical, a whistle pencil. For the practical joker, a firecracker pencil. For the mining fraternity, pencil with a hollow tube containing a sample of a genuine uranium ore.

DUNNING your debtors should be faster with this rubber stamp. It incorporates 12 phrases varying from a polite reminder to a last notice.

* * *

THE DRIP, drip, drip of the faucet in the bathroom may be a plague of the past. U. S. firms say the diaphragm-type valve in their faucets do not have the conventional washer, do not require costly servicing and do not drip.

* * *

COLLECTING MONEY may be faster with a new rubber stamp. It incorporates 12 phrases for stamping invoices and statements to expedite slow collections. Phrases vary from an expression of appreciation for order received to a pay-up-or-else.

* * *

ONE MAN can move, erect and log with a new steel spar tree.

* * *

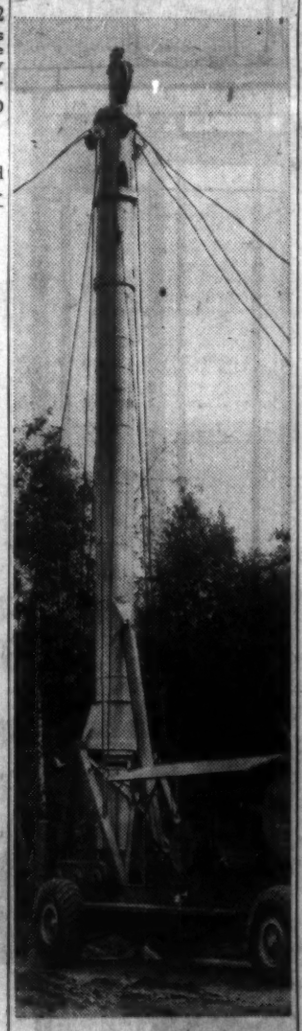
"DROMEDARY" TRUCK hikes payloads 25%, Vancouver maker says. Carrying a box 10 ft. long on a 20-ft. tractor chassis, the truck pulls a conventional trailer. Over-all length: 60 ft. Maker says lightweight high-class freight can be placed in the small box and regular loads in the trailer.

* * *

UNLESS your house is extremely cluttered, new vacuum cleaner will be confined to the streets. The gasoline powered street cleaner picks up, automatically smashes and packs litter into an attached burlap bag. It has a 30-in.-wide intake scoop.

* * *

NEW LITERATURE: Catalogue of direct mail enclosures, salesman's door openers, trade show good-will-builders, and promotional give-away items from **The Marvic Co.,** Brooklyn, New York . . . brochure outlining the basic product lines of the 10 divisions and subsidiaries of **Gulton Industries Inc.,** Metuchen, N.J. . . . leaflet describing a small permanent-appendage electronic high-vacuum pump from **Ultek Corp.,** Palo Alto, Calif. . . . bulletin describing pocket-size, hook-on volt ammeters available from **Canadian General Electric Co., Toronto.**



CANADIAN designed and manufactured steel spar tree telescopes up to 100 ft. One man can move and erect it.

$26½ Million Construction In Saskatoon

Value of building construction in Saskatoon reached $26,676,333 during the week ending Oct. 9. This is $6,100,000 higher than the figure for the year to the corresponding date in 1958.

Estimated value of 1,287 new homes this year, based on the number of building permits issued by the city, now stands at $14,939,938—more than half the total building value.

There were 178 starts in Saskatoon in September compared with 115 for September last year.

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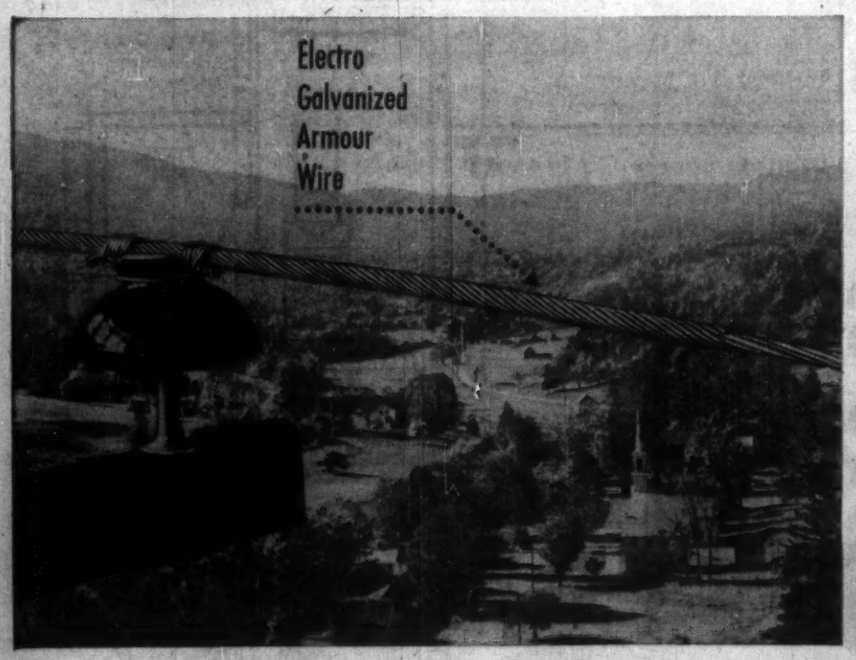
MONTREAL TORONTO VANCOUVER

Member of Association of Consulting Management Engineers, Inc.

★ STELCO WIRE at work...



...helping the power lines make light of their load!

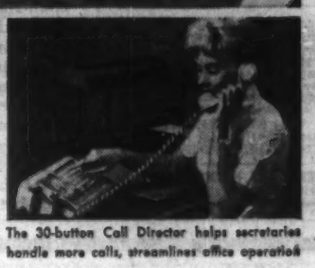
For any application in which steel wire is required to withstand the attacks of moisture, atmospheric acids, and other corroding agents, Stelco offers "Zinc Tight" Electro Galvanized Wire in a variety of specifications, gauges, and coating weights. Stelco "Zinc Tight" Wire is the only electro galvanized wire made in Canada. It can be bent, twisted, crimped, or wrapped, and the uniform zinc coating will remain perfectly bonded to the steel.

Stelco's fully integrated steel and wire making facilities are at your service through any Stelco Sales Office.

STELCO THE STEEL COMPANY OF CANADA, LIMITED
Executive Offices: Hamilton and Montreal.
Sales Offices: Halifax, Saint John, Montreal, Ottawa, Toronto, Hamilton, London, Windsor, Winnipeg, Edmonton, Vancouver. J. C. Pratt & Co. Limited, St. John's, Newfoundland.

Now-a new concept in telephone service!

the CALL director for the person who makes or takes a lot of calls



The 30-button Call Director helps secretaries handle more calls, streamlines office operation

Here is the most advanced and flexible telephone ever offered to business!

For the Businessman: The Call Director telephone with the new Bell intercom provides fast, easy handling of outside and interoffice calls on one phone. No extra equipment on your desk. It provides up to 18 pushbuttons so you can:

- connect with other office telephones
- set up interoffice conference calls for as many as six persons at once
- add another person in your office to an outside call.
- you can also telephone frequently called persons in your office or plant by pushing the appropriate button . . . and reach others by dialing.

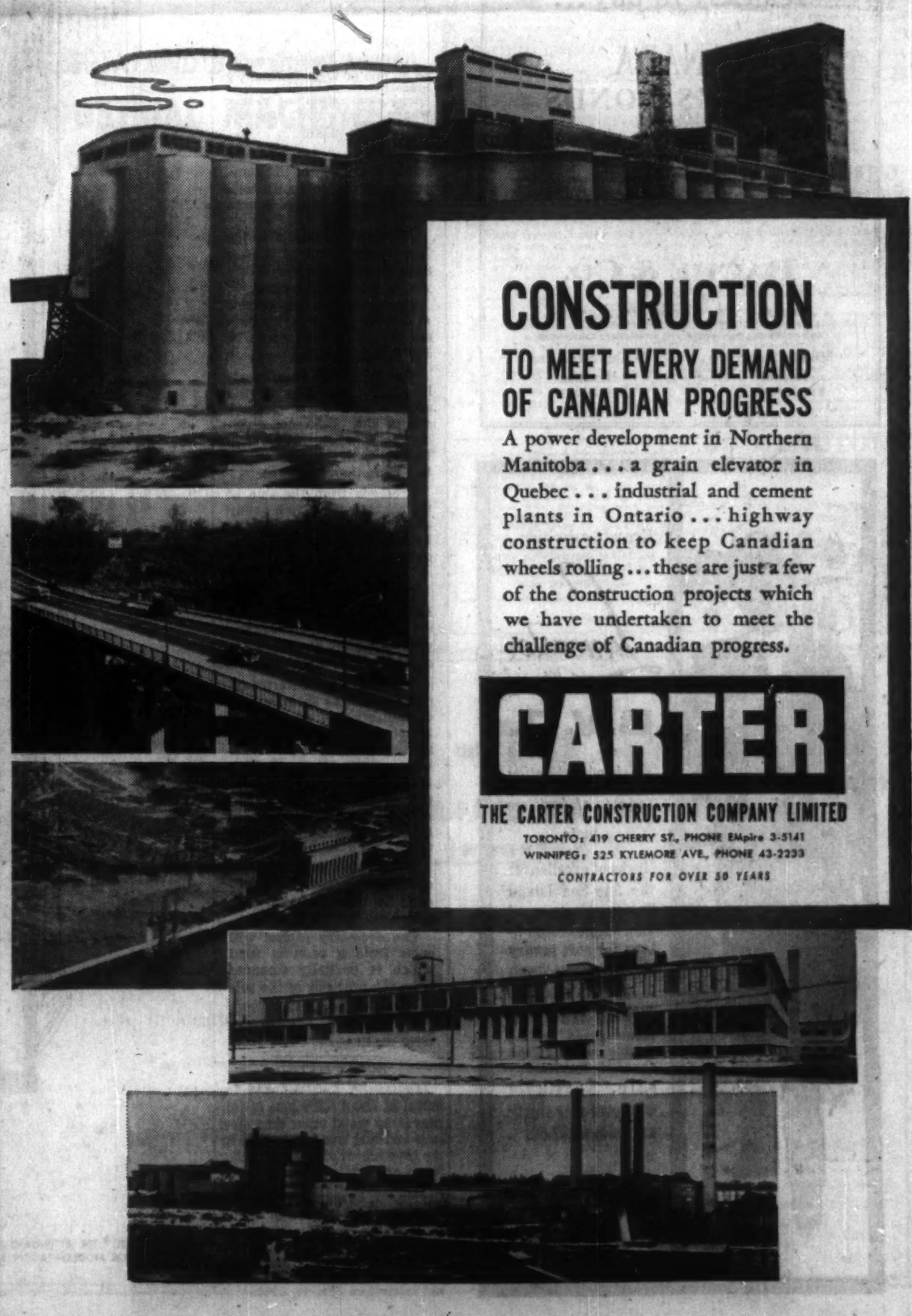
For secretaries or clerks who answer for a number of people. The Call Director has answering and call-holding facilities for up to 29 outside, extension or intercom lines.

Smart design. In green, gray or beige with contrasting face plates, it harmonizes with the decor of any office.

Find out how this versatile new telephone can help speed *your* communications — profitably.

Call your Bell Telephone business office for a representative to visit you at your convenience. No obligation, of course.

THE BELL TELEPHONE COMPANY OF CANADA



CONSTRUCTION
TO MEET EVERY DEMAND OF CANADIAN PROGRESS

A power development in Northern Manitoba . . . a grain elevator in Quebec . . . industrial and cement plants in Ontario . . . highway construction to keep Canadian wheels rolling . . . these are just a few of the construction projects which we have undertaken to meet the challenge of Canadian progress.

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Your Pipe's Best Friend! The one-and-only, patented BEATTIE JET LIGHTER is designed for greatest pipe-smoking enjoyment. A slight tilt, and your Beattie forms a jet-flame that aims straight into pipe-bowl. Extra-large fuel capacity; 100% fuel combustion; no fluid taste or odor. Unique, rapid, easiest re-fueling.

The Outdoorsman's Favorite! A Beattie Jet is also handy for blackening gunsights; lighting campfires and fireplaces; as a "torch" for that small soldering job and for thawing out frozen car-locks.

A daily companion of a million delighted users!

11 beautiful style numbers retail from $7.95 to $49.00.

FULLY GUARANTEED!

Available at: United Cigar Stores, Department Stores, Better Jewelry and Tobacco Stores—or write us.

Mr. Executive! For holidays; premiums; incentive prizes; Company anniversaries . . . Beattie Jet Lighters (with or without your Company name or trademark), make the most long-remembered, useful and impressionable gift. Allow 3 weeks for engraved imprints.

Write for complete details, catalog sheet of full line and SPECIAL QUANTITY PRICES.

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European Roundup

NEWS FROM THE BUSINESS CAPITALS OF EUROPE...

By ERNEST WAENGLER

IF THE economic division of Western Europe into the Common Market (Inner Six) and the Small Free Trade Zone (Outer Seven) should harden into the permanent establishment of two competing trade blocks, Canadian exporters may well find themselves caught in the middle with little chance for favorable deals with either side.

European press comments to the recent ministers' conference in Brussels indicate that the Common Market countries are more interested in speeding up and intensifying the integration among themselves than in opening the door for a rapprochement with the Outer Seven, let alone with any other countries.

Italy has adopted the viewpoint that such negotiation had better be left until the six of the Common Market are ready to "act as one body", while Belgium vaguely promises that "the earlier completion of the Common Market does not exclude the possibility of talks and new ideas" between the two blocks.

West Germany alone seems to be worried about a split that could shut her out of sorely needed export markets.

Economics Minister Erhard is resorting to newspaper advertisements in which he tries to enlist support for his cherished idea of a Free Trade Zone that includes all of Western Europe.

* * *

Turkey and Greece, both previously uncommitted to either economic block, are now trying for "modified membership" with the Inner Six and it is generally regarded as certain that they will be accepted in one form or another.

Austria, which decided earlier this year to throw in its lot with the Outer Seven, now has some second thoughts on the subject.

Influential economists and businessmen are pointing out that Austria would do better with the rival Common Market whose members are presently buying 75% of Austrian exports of finished products and 84% of agricultural exports.

Since several other members of the Outer Seven are in a similar position, such thoughts could considerably weaken its bargaining position toward the powerful Common Market.

* * *

Agreement has been reached on one of West Germany's hottest domestic issues — the "denationalization" of **Volkswagen**, the world's fourth-largest auto maker.

The Federal Republic will retain only 20% of the company's stock, currently valued at one billion marks ($225 million).

Another 20% will go to the Land (province) of Lower Saxonia in which the Volkswagen Works are located.

The remaining 60% will be sold to the public as "people's shares" in denominations of 100 marks ($22.50).

The shares will be primarily offered to those in the middle and lower income groups and preference given to Volkswagen employees. Nobody will be allowed to buy more than 10 shares.

Proceeds from the sale of the shares will go to a newly created Foundation for the Promotion of Science and Research.

* * *

Italy has announced a series of measures to speed up industrialization of the country's most backward region, the Southern Provinces.

"Medium size" enterprises, now defined as those with a capitalization of up to three billion lire ($5 million), can get subsidies and medium-term credits of up to 85% (previously 70%) of the capital needed for their establishment. Fifteen-year lones are provided at 3% interest.

The subsidy on machinery and other equipment produced in Southern Italy has been raised from 10% to 20%.

The necessary capital will come from a rotating fund which is partially financed from the proceeds of the sale of U. S. farm surplus goods given to Italy on a long-term credit basis.

SCRAP METAL

Tenders for purchase and removal of about 6,200 tons of ferrous scrap metal other than steel rails and cast iron are invited by the government of Ceylon. Tender forms are available from the office of the High Commissioner for Ceylon, 77 Powell Ave., Ottawa, on request. All tenders on the official form should reach the Chairman, Tender Board, Ministry of Food, Commerce and Trade, Calle Face, Colombo 3, Ceylon, **not later than Jan. 18, 1960.**

Motor Scooters Boom in Quebec

Motor scooters, popular in Alberta (FP, Sept. 12), are experiencing a small sales boom in Quebec.

But sales are increasing more slowly in the rest of Canada. The reason:

Legislation in the two provinces is more favorable to the small (mostly 2 hp) machines.

Alberta licenses teen-agers 14 to 16 to operate the scooters before they can legally drive cars.

Quebec is lenient in its insurance requirements for the little cycles.

Sales are growing in Ontario, too, although licenses for scooters are available only at age 16 — same as for motorcycles and cars.

They're most popular among recent arrivals from Europe, used to the scooters in their homelands, and among the high school crowd.

Businessmen also buy them, load them in the car trunk or station wagon, and use them around the summer home.

They're used for light deliveries, and for getting around easily on city streets where high speeds normally aren't possible.

Motorcycles are losing out — sales have been declining gradually for the last 10 years.

Canadian customs officials lump scooters with motorcycles in import figures, but current reports indicate that about 3,000 of the little machines worth about $1 million will be imported this year.

In the first six months 2,952 machines — motorcycles and scooters — valued at $1,041,794 were imported.

Retail scooter prices range from $250 to $700.

Biggest source is Italy, which sent 521, almost all scooters, January to June. Most of these were sold in Quebec and Ontario.

Germany shipped 515, Japan 167, Czechoslovakia 124, both cycles and scooters in each case.

From the U. K. came 944, from the U. S. 438, France 35, mostly cycles in each case.

None are manufactured in Canada.

Water, Sewer Contracts Let

Ontario Water Resources Commission has announced the award of three contracts.

Canada Gunnite, Montreal, won a $103,553 contract to construct a 1.5-million-gal. reservoir at Preston, part of a project that is estimated to eventually cost $277,000.

Emery Engineering, Barrie, will build a $188,544 sanitary sewer and pump house at Barrie.

Thomas C. Wilcox & Sons Ltd., Midland, will build watermains and appurtenances in Midland for $47,253.

WINS CGRA OSCAR

Caterpillar Tractor has won Canadian Good Roads Association's Oscar, awarded for a major contribution to the cause of better roads through publicity, for the second time. Award was made on the basis of a series of colorful and educational advertisements displayed in Canadian and U.S. magazines on the economic and social aspects of an efficient highway and street system.

CANADIAN BANK NOTE COMPANY LIMITED

STEEL PLATE ENGRAVERS and PRINTERS OF

Bank Notes Postage and Revenue Stamps Bonds Debentures
Stock Certificates Labels Cheques and all monetary documents

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SPECIAL BUSINESS FACILITIES
for • sales conventions
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only 7 minutes from downtown via the Lakeshore Road

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free parking at the door
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It's Easy to buy...

CANADA SAVINGS BONDS
SERIES 1959

through

BACHE & CO.
Founded 1879
MEMBERS INVESTMENT DEALERS ASSN. OF CANADA
TORONTO STOCK EXCHANGE
AND OTHER LEADING STOCK AND COMMODITY EXCHANGES

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Executive decision...

Lancaster by

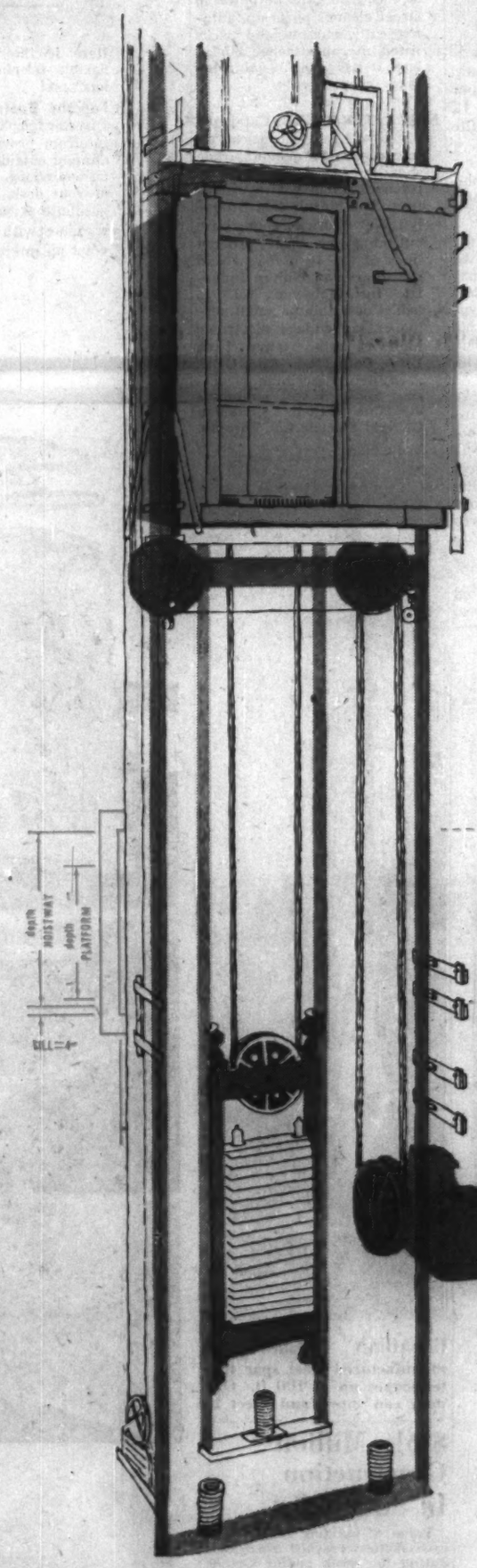
B.V.D.

Shirts of distinction for men of faultless taste

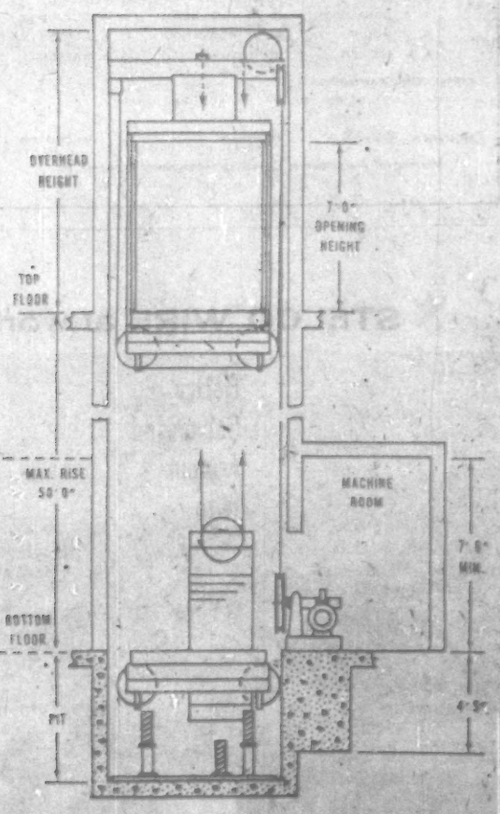
Marks of excellence: the fine Sea Island Shirting, woven of long staple cotton fibres for soft luxury and a lustrous sheen ... the impeccable styling, featuring Kent fused collar, double cuffs ... the careful workmanship. Available wherever *fine* shirts are sold, at $7.50.

THE B.V.D. COMPANY LIMITED, MONTREAL

Outstanding value has made OTIS the accepted word for elevator quality in Canada and throughout the world.



Underslung passenger elevators



Planning assistance

No elevator installation is too large or too small for OTIS: *Autotronic® or Attendant-Operated Passenger Elevators, Escalators, Trav-O-Lators, Freight Elevators, Dumbwaiters, Elevator Modernization and Maintenance, Military Electronic Systems, Gas and Electric Trucks by Baker Industrial Truck Division.*

OTIS ELEVATOR COMPANY LIMITED
Head Offices and Works, Hamilton, Ontario. Offices in 28 cities across Canada.

AUTOTRONIC® OR ATTENDANT-OPERATED PASSENGER ELEVATORS • ESCALATORS • TRAV-O-LATORS • FREIGHT ELEVATORS • DUMBWAITERS • ELEVATOR MODERNIZATION & MAINTENANCE • MILITARY ELECTRONIC SYSTEMS • GAS & ELECTRIC TRUCKS BY BAKER INDUSTRIAL TRUCK DIVISION

Baker industrial trucks

ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government.

Auto Electric Service Co. (Toronto) — H. Seager, appointed general sales manager; R. G. Woodhouse, assistant general sales manager; R. H. Dexter, general manager Auto Electric Service (Western).

Black & Decker Mfg. Co. (Brockville, Ont.)—William B. Bergen, appointed director.

Canada Iron Foundries (Toronto)—J. A. Cross, appointed group general manager; J. E. Conner, group general manager structural steel companies; R. K. Carty, vice-president and general manager, foundry division.

Canada Starch Co.—G. A. Candler, appointed comptroller; M. C. Burns, assistant treasurer.

Canadian Bank of Commerce (Toronto)—Theodore O. Peterson, appointed director.

Canadian Institute of Certified Public Accountants (Toronto)—D. F. McKechnie, appointed president; B. F. Nadeau, 1st vice-president; D. M. Chisholm, 2nd vice-president.

Canadian National Railways (Montreal) — Alexander H. Hart, appointed system vice-president of traffic.

Certified Public Accountants Association of Ontario (Toronto) — K. Winter, appointed president; F. T. Sudbury, 1st vice-president; L. Moorhouse, 2nd vice-president.

Canadian Produce Council (Ottawa) —Harry T. Chisholm, appointed chairman.

Cosa Corp. of Canada (Toronto)—T. P. Shutze, appointed field sales manager.

Department of Mines and Technical Surveys (Ottawa)—Lt.-Col. James Irving Thompson, appointed chief of air survey section of the topographical survey, surveys and mapping branch.

Dominion Rubber Co. (Montreal)—E. W. Ryan, appointed superintendent, latex and reclaim division.

Du Pont of Canada (Toronto) — Robert T. Watson, appointed manager, industrial relations division of the employee relations department.

Empire Life Insurance Co. (Toronto) —A. W. Jonston, G. D. De Re, appointed superintendents of agencies.

Ford Motor Co. of Canada (Toronto) —A. C. Moore, appointed general manufacturing manager; B. W. MacKeen, director automotive engineering.

Global Reinsurance Co. (Toronto) — Dr. Henry J. Bleeker, appointed vice-president and general manager; Casten von Otter, vice-president, assistant general manager.

Hewitt Equipment (Montreal) — William J. Carson, appointed executive assistant; Gordon B. Mills, general sales manager.

Honeywell Controls (Toronto) — Phillipe J. Lamarche, appointed general sales manager of the French subsidiary, with headquarters in Paris; Camille Cauchon, manager Quebec office.

Ingram & Bell Ltd. (Toronto) — Allan T. Corner, W. Howard Wert, Peter Nesbitt Thomson, appointed directors.

International Nickel Co. of Canada (Toronto) — N. R. Crump, appointed director.

Montreal Locomotive Works (Montreal)—William F. Lewis, appointed vice-president.

Monsanto Canada Ltd.—V. L. Bartram, appointed manager, Western operations.

Pfizer Canada (Montreal) — Stanley F. Souvage, appointed manager chemical divisions; Ernest C. Frey, regional manager, chemical and agricultural divisions.

Public Relations Society of America (New York)—Philippe Hurteau, of Montreal, appointed director.

Russell-Hipwell Engines (Owen Sound) — John F. Klassen, appointed vice-president and manager Quebec Region.

Scudder Fund of Canada (Toronto) — Thomas W. Phelphs, appointed director.

Underwood-Samas Ltd. (Toronto)—Paul B. Pratt, appointed general manager of this new subsidiary.

University of Saskatchewan (Saskatoon) — Dr. E. C. Leslie, appointed chairman of Golden Jubilee Fund; A. A. Murphy, deputy chairman; G. Arnold Hart, hon. treasurer.

Watson Jack-Hopkins Ltd. (Montreal) — R. W. Chorlton, appointed general manager.

APPOINT DISTRIBUTORS

Chemical Concrete Products of Canada has appointed the following distributors in Eastern Canada: Eastern Ontario, **Chown Ltd.**, Kingston; Ottawa & North Bay areas, **Seaway Building Specialties Ltd.**, Ottawa; Oshawa, Lindsay, Peterborough, **R. B. Ayrhart Enterprises**, Cambellford; Toronto area, **Fraser Industries**, Toronto; Maritimes, **Fred Silver Ltd.**, Halifax.

Are Banks Looking After Their 'Small Borrowings'?

Both Prime Minister Diefenbaker and Finance Minister Fleming have implied recently that the chartered banks could do a better job of allocating credit if they would look after the small borrower more assiduously and pay less attention to the big corporate borrower.

What are the facts?

During the past year of rapid business expansion, bank loans to individuals and to businesses have increased by about $1.2 billion. This can't yet be broken down by big and small borrowers.

But in the nine months between Sept. 30, 1958 and June 30, 1959, the increase was an even $1 billion. And for this period, it is possible to make estimates showing how much of the increase ended up in the hands of the "small" borrower.

1. Individuals obtained some $243 million more in personal loans.

2. Merchandisers received $120 million more and if you assume half of this went to "small" businessmen this would be another $60 million.

3. Canada Savings Bonds purchasers received $35 million to finance the bonds that they bought as individual savings.

4. Finance companies, whose loans end up, in effect, with individuals obtained an extra $81 million.

5. NHA-insured mortgage loans, all of which eventually finances individuals increased by $152 million in this period.

6. Loans to construction firms rose by $70 million and probably half of this went to "small" contractors — $35 million.

7. Manufacturers received an extra $60 million and it's logical to assume that at least a third of this went to firms too small to raise money by, for example, stock or bond issues and so another $20 million might have gone to "small" businesses.

Total: $626 million — or over 60% of all additional credit extended in the nine months ended up with the small borrower.

There is another way to look at the division between small and big borrowers.

On Sept. 30, 1958, bank customers with authorized lines of over $100,000 accounted for 45.4% of all general loans outstanding.

By the end of June, this year, these very big borrowers had only 44.2% of total general loans — a slightly smaller share.

The accompanying table shows the condition of the chartered banks at the end of September.

Among other things, it shows how the banks' holdings of government securities have been run down in order to finance the large year-long increase in loans.

CONDITION OF CHARTERED BANKS IN CANADA

ASSETS

Immediately Available Liquid Assets (In Thousands of Dollars)

	Sept. 1959	Aug 1959	Change	Sept. 1958	Change
Canadian coin	25,245	24,384	+861	22,831	+2,414
Gold & coin abroad	1,514	1,441	+73	1,949	—435
Bk. of Can. notes & dep.	932,437	976,720	+9,717	930,193	+2,244
Foreign currency	46,470	48,537	—2,067	48,293	—1,823
Dep. oth. bks in Can. curr.	4,710	5,443	—733	4,100	+610
Foreign banks	356,004	353,764	+2,240	348,199	+7,805
Cheques, oth. items in tr.	783,219	857,702	—74,483	1,082,280	—299,061
Govt. of Can. treas. bills	918,848	905,263	+13,584	1,096,421	—177,575
Government Securities:					
Dom. short-term	420,394	435,441	—15,147	757,306	—337,012
Dom. long-term	1,474,778	1,512,918	—38,140	2,023,728	—548,950
Provincial	370,358	391,654	—21,296	377,265	—6,912
Municipal secs.	212,161	212,609	—462	185,718	+27,443
Other secs.	527,833	536,566	—8,733	533,325	—5,492
Secs. oth. than Canadian	505,154	520,812	—15,658	605,460	—100,306
Mortgages	925,801	906,457	+20,434	712,525	+213,368
Can. call & short loans	158,932	148,031	+9,901	139,814	+26,118
Call & short loans abroad in nonCdn. currency	826,581	739,801	+86,980	627,115	+199,446
Provincial loans	44,998	29,179	+15,818	37,317	+7,671
Municipal loans	265,949	246,410	+19,539	230,223	+35,727
Current loans	5,855,850	5,923,194	—67,344	4,741,516	+1,114,134
Other loans abroad in nonCanadian currency	736,173	724,963	+11,305	601,995	+134,178
Noncurrent loans	1,417	1,383	+34	1,360	+57
Premises	197,956	195,181	+2,775	171,545	+26,411
Loans to corporations	50,478	49,653	+825	39,990	+10,488
Letters of credit	218,899	216,194	+2,615	220,992	—2,183
Other assets	5,237	5,237	—280	5,409	—453
Total assets	15,915,582	15,946,821	—31,239	15,593,971	+321,711
LIABILITIES					
Canadian currency:					
Dep. by fed. govt.	63,500	282,387	—218,887	59,122	+4,378
Dep. by prov. govt.	179,332	114,488	+64,844	191,710	—12,378
Dep. by other bks.	121,005	119,181	+1,824	155,734	—34,729
Foreign currency:					
Dep. by other bks.	761,378	604,868	+198,910	371,981	+389,397
Personal savings	7,238,717	7,248,270	—9,553	6,940,323	+298,394
Notice deposits	567,395	570,520	—3,125	630,274	—62,879
Demand deposits	4,011,217	4,027,090	—15,873	4,412,167	—400,950
Oth. deposits in for. curr.	1,788,885	1,752,978	+36,907	1,787,096	+1,789
Adv. from Bk. of Can.					
Letters of credit	218,899	216,194	+2,615	220,992	—2,183
Other liabilities	56,863	53,892	+2,971	47,012	+9,851
Capital paid-up	253,851	253,733	+118	223,071	+31,780
Rest accounts	849,388	849,080	+308	841,421	+107,967
Undivided profits	5,043	5,042	.....	7,968	—2,926
Total liabilities	15,915,582	15,946,821	—31,239	15,593,971	+321,711

Foundations 60% Complete At Fort William Steam Plant

Foundation work is 60% complete on **Ontario Hydro's** first steam plant in Northern Ontario at Fort William, Ont.

The 700-ft. dock is built and the docking area is being dredged to Seaway depth of 27 ft.

Although start on the Thunder Bay generating station's framework was delayed slightly because of the U. S. steel strike, 20% of the required 2,500 tons of steel has been erected.

Scheduled for service in 1961 with an initial capacity of 100,000 kw, the steam station can be expanded up to one million kilowatts as required. Dock can be doubled in length to 1,400 ft. if plant's capacity exceeds 500,000 kw.

Ships will be unloaded by two crawler cranes, each capable of handling 250 tons of coal an hour. Conveying and crushing capacity can be expanded to deal with ships weighing up to 22,000 tons gross at a rate of 2,000 tons an hour.

Storage will be available for two million tons of coal.

Work is now about half complete on the intake channel which will supply unit number one with 76,800 gal. of cooling water a minute from the Mission River.

A high-efficiency mechanical and electrostatic dust removal system will also be installed at the station.

Three hundred men are now working at the site and labor force is expected to pass 500 in peak construction period.

Build 39 Plants In Windsor Area

Since 1952, $330 million has been spent for plants and equipment in the Greater Windsor area, Greater Windsor Industrial Commission reports.

Since 1952, 39 new plants have been erected in the area, with an average of 2.10 acres of manufacturing space per year.

In the same period, 283 plants were expanded (average of over seven acres per year), and 144 new manufacturing businesses began operations.

Some of these have merged with other firms and a few have failed but most remain in good health and hold considerable potential for increased employment.

Some other facts about the area:

Capital and repair expenditure for plants and equipment for 1959 are expected to total $28.8 million, an increase of 63% over 1958.

Population in 1959 will reach 192,683. Between 1901 and 1956, Essex County experienced the second largest population increase in Ontario — 320.3%. Since 1950, Greater Windsor's population has increased by 34,695 people.

OPPORTUNITIES

INDUSTRIAL RUBBER DISTRIBUTORS WANTED

Rare opportunity to become associated with Commonwealth's largest producer of industrial rubber products, now organizing coast to coast distribution. Extensive range, high quality — Conveyor belting, Vee belts, Hose, Hydraulic control hose, Moulded rubber, etc. Previous experience desirable, territories fully protected. Write in confidence.

Box 845, The Financial Post, Toronto

McDecs Crumson & Sons
20 Asani Lane, Lagos, Nigeria

We Import:—Toys, Novelty Goods, Can Foods, Hardware, Building Materials, General Merchandise. We undertake Clearance of Goods in distress (uncleared Goods).

We Export:—Galena Ore, Butter Beans, Shea Nuts, Cattle Bones, Horns & Hoofs, Coffee, Rubber, Split or Peeled Ginger, Chilles, Dry Kolanuts, Ebony Carvings, Raffia Fiber, Sawn Timber, & Cattle Hairs.

OPPORTUNITY OF RESIDENTIAL CO-PARTNERSHIP EXISTS FOR RELIABLE FIRM WISHING TO ESTABLISH IN NIGERIA

DISPLAY ADVERTISING RATES

$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch).

Copy must be in Toronto Office Monday a.m.

Display advertising in this section is payable in advance.

Garage — Automobile Sales and Service

(presently holding franchise for one of "Big Three" lines) in town of 25,000 in Northern Ontario. Modern Building with Service Station, Showroom, Offices, Parts Department, Body Shop, General Repairs, etc., all fully equipped. Owners desirous of selling plant and stock of going business intact.

Box 842, The Financial Post, Toronto

MANUFACTURER'S REPRESENTATIVE

These services are for you:

1. A front display window on the ground floor.
2. An outside display frontage protecting your products by an attractive modern patio.
3. Parking in the rear for approximately 8 cars.
4. A 12' x 15' sign for advertising your product and the customers where it can be obtained.
5. These facilities are located on one of Vancouver's busiest thoroughfares — namely Broadway.

For further details — please write:

BARRY THOMAS & CO. LTD.

737 EAST BROADWAY • VANCOUVER, B.C.

CLASSIFIED ADVERTISEMENTS

CLASSIFIED ADVERTISING RATES

Flat rate, per word 20c

Minimum charge $5.00

Each initial, figure or fraction, abbreviation and sign counts as one word. If a box number is desired the words Box 000, The Financial Post, Toronto, count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Monday a.m. Classified advertising is strictly cash in advance.

For Sale

VARITYPER Model A-20 and DSJF, extra fonts, Headliner, photocopy machine, I.B.M. electric typewriter, Pitney Bowes Mailing and Sealing Machine, Model AV High speed. Sacrifice. International Firearms Co. Ltd., 1611 Bleury, Montreal, Que.

Positions Wanted

LAWYER - EXECUTIVE

CAMBRIDGE HONOURS Graduate, aged 40 with legal and management experience with hydro electric engineers and dock operating company seeks executive post where management abilities can be fully utilized. Box 821, The Financial Post, Toronto.

Business Opportunities

SHOPPING CENTRE

ONLY TWO YEARS old. Long triple A leases with established rentals plus percent of gross. Priced at one million one hundred thousand with six hundred thousand dollars down. Excellent investment.

SHOE MANUFACTURE

MANUFACTURE men's, ladies', children's shoes and slippers. Well known brand. Long established. Annual gross $1,000,000. Asking price without building $200,000.

SCRAP METAL

FULLY EQUIPPED, magnetic crane, 60-ton baler, large sheds, RR siding. Dealers in Non-Ferrous Metals, Borings, Structural Steel, Wipers and Waste. Annual gross $1,000,000. Asking price $300,000, excellent terms.

MACHINERY MANUFACTURE

CONSISTS of everything needed to manufacture mandrels, blowers, complete line of wood manufacturing machinery from Foundry to finished product. Gross $500,000 per year.

Agents protected but must have certified buyers. Continental Realty, Coast to Coast, 4649 Van Horne Ave., Montreal 26, P.Q.

WE GUARANTEE to collect for ten per cent, anywhere! Licensed, bonded, proven. Fifteen hundred references. Write Dixon, Commercial Investigators Ltd., 3 James, St. Catharines, Ontario.

FOR SALE: Large-volume modern hardware store, located in a medium sized southern Ontario city. If interested advise amount of cash available to purchase. Box 816, The Financial Post, Toronto.

OPPORTUNITIES

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

FOR SALE GOING CONCERN

Road building contracting firm with some nice mileage signed up for 1960. This business has earned worth while money. Equipment in good condition.

Box 846, The Financial Post, Toronto

RETAILERS MANUFACTURERS or FINANCIAL HOUSES INTERESTED IN RETAIL PROBLEMS

may now obtain help from specialized

RETAIL CONSULTANTS

who have wide training and experience in this field. Conflicting clients not accepted. Details on request.

B. B. TINGLEY • 524 Lazard Ave., Montreal 16, Que. Regent 9-3440

MEXICO CITY BUSINESSMAN

who has been in business in The Republic of Mexico on his own for more than thirty-five years and is familiar with the Mexico Market is

NOW VISITING TORONTO

Desires to contact native Canadian industries seriously interested in selling their products in Mexico through the services of an exclusive representative.
Can also act as adviser regarding exports from Mexico and Mexico business matters generally. Speaks Spanish, French and English.
Will accept only serious proposition from interested reliable concerns. Banking and other references furnished.
Address your enquiries to:

MR. M. GREY
c/o Mr. Juan N. Buendia
13 Bloor St. W., Toronto, Ont.
PHONE: WA. 2-5874

CAPITAL AVAILABLE

BUSINESS AND REALTY

Commercial, residentials, 1st and 2nd mortgages. Construction loans, chattel loans, sale and lease back realty, machinery and equipment. Present loans increased, payments reduced. Receivables-installment notes, discounted and rediscounted. Long term debentures. Re-organization, merger financing. Purchases of existing firms, new ventures, stock issues for mining, industrial interests. Act as principal, agent or financial consultant. Thirty years in financing. Personal investment.

SYMINGTON-FIELD

Capital Procurement Consultant

541 YONGE ST. — TORONTO WA. 1-4023

SWIMMING POOLS

National swimming pool m'f'r will appoint reliable man as franchised dealer in this area. Nat'l advertising support. Above-average income. Small investment, partial financing. Write for brochure. Box FP 1737, 125 W. 41 St., N.Y., N.Y.

Capital & Services

able financial and administrative executive, age 38, desires active interest in established business with favourable profit and growth potential. Submit full details—in strict confidence.

Box 828, The Financial Post, Toronto.

ALBERTA AND B.C. COVERAGE

INDUSTRIAL MACHINERY

We are an established well financed Company with branches and warehouses in both provinces and require additional good lines. We think there are Canadian manufacturers who are spending money on Western sales coverage which could be done more economically and better by our organization. For further details write:

Box 774, The Financial Post, Toronto

LEASED BUILDINGS FOR SALE

New one-storey buildings in good locations in Edmonton, Calgary, Montreal, Vancouver and Toronto, on long term net leases, available for sale, to yield attractive return.
Cash required $50,000 and up.

TORONTO INDUSTRIAL LEASEHOLDS (1957) LTD.

12 Sheppard St., Toronto 1, Ont.

MINING PROPERTIES WANTED

Substantial group interested mining properties where favorable reports and assays available Accessible locations province Quebec or eastern Ontario. No objections where company already formed and some stock issued. Principals and Reputable Geologists only need submit pertinent details.

BAY-GREEN ENTERPRISES INC., 207 Craig St. West, Room 21, Montreal, P.Q. Phone UN. 6-1122.

FOR SALE: METAL FABRICATING PLANT

Rapidly growing firm engaged in steel fabrication. Plant is fully equipped and manufactures products from all metals. Approximately 100,000 square feet of floor space. Well located—trackage —leading Prairie City. Capital requirements approximately $400,000.

Box 825, The Financial Post, Toronto

QUEBEC REPRESENTATION & DISTRIBUTION

Small well established firm of manufacturers' representatives and stock-carrying distributors located in Montreal handling industrial materials and equipment of American manufacture and presently selling to a wide range of Engineering firms, ship-yards, paper mills, oil refineries, etc. for production and maintenance purposes is desirous of acquiring additional product of Canadian manufacture on similar basis. We are prepared and qualified to offer effective and economically sound services to a reputable Canadian manufacturer.

BOX 827, THE FINANCIAL POST, TORONTO

DISTRIBUTORS WANTED

For Quebec, Western and Maritime Provinces

For a well built, colourfully packaged Canadian product. This hardware item is to be sold to hardware stores and retail lumber outlets. Sales record proven in leading Ontario hardware outlets.
Reply to:

Box 833, The Financial Post, Toronto

PRINTING BUSINESS

Partnership for business concern or person in return for $12,000.00 required on loan for expansion purposes. An ideal opportunity to control and reduce printing costs and secure service.

BOX 834, THE FINANCIAL POST, TORONTO

INVESTORS REQUIRED

FOR GROWING COMPANY in the maintenance business. Exceptional potential

Apply

Box 830, The Financial Post, Toronto

PARTNER WANTED

to assist in establishing a business. We want a married man over 40 years of age who lives in Metro Toronto. Experience in the Canadian or American publishing business is necessary. Money is not essential. Apply to:
Box 829, The Financial Post, Toronto.

FOR SALE

Extra modern 5 man printing establishment. Three storey building. All new equipment. Established 14 years. For sale because of ill-health.

BOX 1352, FREDERICTON, N.B.

BUSINESS OPPORTUNITY

Serviced land, complete with plans and permits to build service station, restaurant and motel in Montreal outskirts on Route 18. To be sold quickly —PARTNERS DISAGREE. Reply to:

Box 835, The Financial Post, Toronto

Valuable Business Location in HAMILTON

Modern store, Music, TV, Hi-Fi, etc., other lines could be added such as photography supplies, auto accessories, sporting goods, etc., also ideal for branch for chain store organization.
Box 837, The Financial Post, Toronto

UNUSUAL OPPORTUNITY TO BECOME ASSOCIATED WITH THE DEVELOPMENT OF CANADA'S $10,000,000 FIBRE GLASS INDUSTRY

The demand for our products, including the dominant brand name fibre glass swimming pool, in the United States requires us to manufacture in Canada and other foreign countries. The miracle of fibre glass permits the use and acceptance of our pools in freezing temperatures with no maintenance problems.

A resident General Manager and Vice-President in a New Canadian Corporation will be selected soon to guide the development of our firm in production and sales of a wide range of fibre glass products such as swimming pools, boats, and trailers. The man we seek must be prepared to start immediately in establishing our new factories in Canada with the help of company engineers. This man must envision the future of the $10,000,000 annual fibre glass market in Canada. Experience in fibre glass is not essential since this man will be assisted and trained by top level management and sales executives from our American operations.

If you believe you are the man of our future, to share substantially in ownership in our new development and profits, you must be prepared to invest $100,000 cash, be willing to submit personal and financial resumes, be available, if accepted, to visit our facilities in California, Louisiana, Texas, Florida and New York for training at company expense. Starting salary will be graduated to $50,000 annually.

Write brief résumé of your personal and financial background and a confidential appointment in Canada will be arranged if first letter gives sufficient information to warrant further consideration. Box FP 1738, 125 W. 41 St., N.Y. City, N.Y., U.S.A.

GOLD PROPERTIES WANTED

We wish to acquire by purchase or option, undeveloped and/or partly developed gold properties and gold bearing claim groups. To facilitate quick decision please give full information and include all available informative material and maps with first letter

NORTH MATTAGAMI MINES LTD.
1610 Sherbrooke St. West, Suite 56, Montreal

DISTRIBUTORS WANTED

Revere Ice Melter is a red-hot winter seller. Every home, building, institution, parking lot, gas station and commercial establishment is a prospect. No messy residue. It removes snow and ice 30 times more effectively than salt at 5°F. Distributors are wanted NOW. Salesmen can make sensational profits during fall and winter. Revere Chemical Corp., Box 705, The Financial Post, Toronto.

Wanted - To Buy

SUCCESSFUL MANUFACTURING PLANT

METALS INDUSTRY

With top-flight management and personnel, nationally accepted products, medium manufacturing facilities, and room for expansion. Preferred volume of business; five million dollars or more, in location within 100 miles of Montreal or Toronto.

Canadian Company will pay cash or consider share exchange. All replies held in strict confidence, and will be acknowledged. If complete anonymity is desired, have your auditors contact McDonald Currie, 507 Place d'Armes, Montreal with full particulars, or write to:

Box 815, The Financial Post

REAL ESTATE

A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings

FOR SALE
200 ACRES
FOR RESIDENTIAL SUB-DIVISION
(View Property)
IN
PROSPEROUS WESTERN ALBERTA TOWN

The town is situated on a main paved highway and will be the urban centre for a new basic industry and power development which expects to hire 1500 persons who must be housed in the townsite. The property has been zoned for Class A residential and is the only available acreage suitable for residential purposes. Other advantages are: approved for NHA mortgage loans, located adjoining a nine hole golf course.

Price $1250.00 per Acre

For further information apply
BOX 826, THE FINANCIAL POST, TORONTO

EDMONTON, ALBERTA
WAREHOUSE FOR SALE OR RENT

Prestige warehouse located in our choice wholesale area. Exceptionally well constructed. Dock level. Brick and tile warehouse. Approximately 9,000 square feet. Well furnished office, vault, and sprinkler system. For further information contact A. W. Hanson.

EXCLUSIVE AGENTS

REALTORS **Weber Bros.** AGENCIES LIMITED Since 1911

10013-101A Avenue, Edmonton, Alberta Phone GArden 4-7341

FOR SALE OR LEASE

Valuable 3 story Business Block. Central Mid Western Ontario City. Located centrally in downtown business area. Parking adequate. Ground floor 3,600 sq. ft. 2nd and 3rd floors 5,000 sq. ft. Freight elevator. Suitable for Chain or Department Store.

Box 823, The Financial Post, Toronto

SASKATCHEWAN OFFERS
Financial Aid to Industry

Saskatchewan's Industrial Development Fund makes Loans to new and Expanding Industries.

The Fund was set up as one of a number of Government aids designed to promote the establishment and growth of manufacturing in Saskatchewan. Large and small industries have received financial assistance from the Fund. The scope of the Fund has been broadened in recent years to include some service industries, among them seed cleaning plants.

- **Loans are available in amounts up to 50% of fixed assets, which include land, building, and installed equipment.**
- **Standard repayment period is five years—the rate of interest is 6%.**
- **The Fund Committee must be satisfied that the loan does not place the applicant in a favoured position competitively to manufacturers of similar products in the province.**

Manufacturers interested in the offer of financial aid should apply to **SASKATCHEWAN INDUSTRIAL DEVELOPMENT OFFICE.** IDO completes loan applications for submission to the Industrial Development Fund Committee. Each request is considered on its own merits.

SASKATCHEWAN INDUSTRIAL DEVELOPMENT OFFICE
Lorne St. and 12th Avenue, Regina, Sask.

D. H. F. BLACK, *Director* — HON. T. C. DOUGLAS, *Minister*

INDUSTRIAL BUILDINGS FOR SALE
St. Johns, Quebec

TOTAL FLOOR AREA: 355,720 Square Feet

- Total land area: 19.83 acres
- Sprinklers and fire service system
- Ideal location (24 miles from Montreal and equal distance from the U.S. border)
- All facilities available to operate large industrial concern
- For further information call Montreal, UNiversity 1-8185

or write to

ROOM 612, SUN LIFE BUILDING, MONTREAL, QUE.

Bell Holds Costs Down, Boosts Earnings by 33.5%

MONTREAL (Staff) — Net profit of **Bell Telephone Co.** for nine months ended Sept. 30 was $38,126,166, up 33.5% from $28,568,815 in corresponding 1958.

This represents earnings of $1.90 per common share on the basis of an average of 20,014,999 shares outstanding compared with $1.58 per share in the first three quarters of 1958, when an average of 18,065,217 shares were outstanding.

Higher earnings reflect continued improvement in the relationship of revenues and expenses that became evident in the early part of the year, President T. W. Eadie says in the quarterly report to shareholders.

Revenues, Eadie notes, were 15.1% higher than in the first three quarters of 1958 while expenses increased only 6.6%.

"Improvement in our revenues is due in part to the impact of better economic conditions upon our volume of business, in part to the modest increase in our rates for service," Eadie says.

During the first nine months this year, company increased number of phones in service by 132,700. Long-distance calls increased 9.8% over corresponding 1958.

2,500 or 5,000 Square Feet SPACE
FACTORY or WAREHOUSE
NORTH YONGE ST.
NEW BUILDING

Just completed and ready for occupancy. Ideal for Manufacturing or Warehousing. Excellent receiving and shipping facilities. Central Heating.

Call Mr. Stulberg, WA. 5-2851
or write
Consolidated Building Corporation
99 Avenue Rd., Toronto, Ontario

4,000 sq. ft. of
OFFICE SPACE
at King and Yonge

Air-Conditioned Board Room. Private and General Offices. Serviced. Short Term Lease if desired. $2.90 per sq. ft.
EM. 6-3516
675 King St. W., Toronto, Ont.

PORT CREDIT AREA

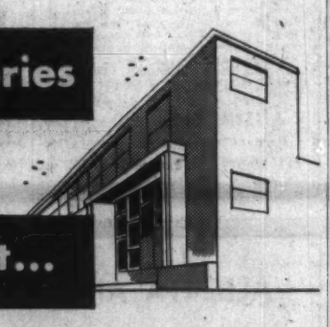
24 acres or more, zoned M-2 close to Hwy and Lake for extra water, services and railsiding, $6,000 per acre. S. M. Macgregor, Realtor, Cooksville, Ont. AT. 9-4487.

CENTRAL MONTREAL OFFICE SPACE
DORCHESTER ST. WEST

Northern Building corner Dorchester & Guy Streets. Modern. 2000 to 7000 square feet. 3/5 year lease. Rent $4.00 per square foot.

MORGAN REALTIES LIMITED
442 Sherbrooke St. W., Montreal VI. 2-2763

new factories for rent...



AT AJAX—35 minutes from downtown Toronto

- On 4-lane superhighway 401 • Paved roads—ample parking
- Building occupies less than ⅓ of site—ample room for expansion
- Lower taxes—lower rentals • High-pressure steam, etc.

Early occupation—2000 to 50,000 sq. ft. Flexible leasing arrangements provide for your future change of plans or requirements.

For complete details, phone or write:

SLOUGH ESTATES (CANADA) LTD.
Royal Bank Building, Toronto, EM. 3-9033

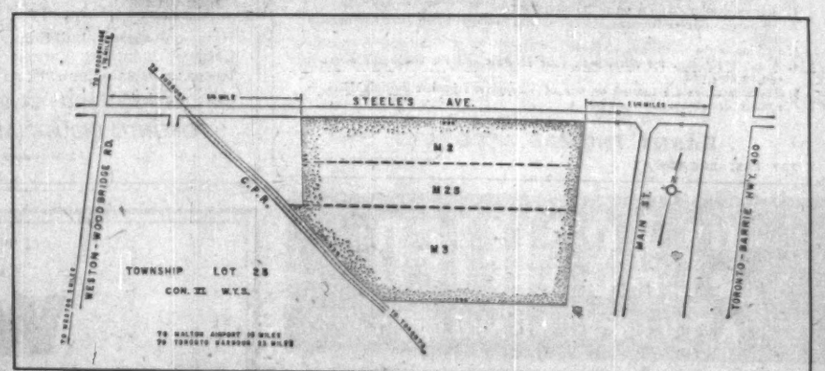
OPPORTUNITIES
See page 21

ONE-STOREY INDUSTRIAL PLANT
60,000 sq. ft. (built in 1952)
GRAND'MERE, P.Q.

- fully sprinklered
- solid brick and steel
- air conditioned
- oil heating
- 16' ceiling
- railway siding
- truck level shipping
- low taxes

500,000 SQ. FT. OF LAND
FOR SALE AT $190,000
WESTMOUNT REALTIES
EXCLUSIVE AGENTS
1367 Greene Ave.
MONTREAL 6, WE. 5-8541

TOWNSHIP OF NORTH YORK
CHOICE INDUSTRIAL SITE
FOR SALE BY PUBLIC TENDER



GENERAL INFORMATION ON SITE
Area 53 acres—part Twp. Lot 25, Con. VI, W.Y.S. Suitable for industrial subdivision or several large factory sites. C.P.R. railway siding available — Metropolitan Toronto freight rates apply. Township water supply available as a local improvement by a proposed 12" watermain on Steeles Avenue.

EXISTING ZONING
Part M2, part M2S and part M3 (outside storage).

SANITARY SEWERS
Available as a local improvement, if required. Also storm sewers available as a local improvement, if required. All other items being equal—preference will be given to proposals guaranteeing industrial buildings to be constructed on a schedule. Area well drained, uniform in contour — no gulleys, valleys or waste land on the site.

Tenders must be submitted in a sealed envelope and plainly marked on the outside as follows:— "TO MR. B. HALL,
CHAIRMAN — INDUSTRIAL COMMITTEE
TENDER FOR INDUSTRIAL LAND."

All tenders are to be delivered to the Township Clerk, A. Standing, Municipal Bldg.—5000 Yonge Street, Willowdale—up to 4 p.m.—Tuesday, November 17th, 1959.

For information, form of tender, conditions, etc. apply to
G. H. BAKER, P.ENG., INDUSTRIAL COMMISSIONER,
5000 YONGE STREET, WILLOWDALE,
PHONE BA. 5-4611 — Ext. 337

HIGHEST OR ANY TENDER NOT NECESSARILY ACCEPTED

NORMAN C. GOODHEAD — Reeve
BASIL HALL — Chairman Industrial Committee

Soca Farm Firm Boosts Capital

MONTREAL (Staff) — Authorized common share capitalization of **Soca Ltée**, a French-backed contract farming operation, has been increased from $2 million to $5 million.

A meeting of shareholders last week approved creation of 1.5 million additional $2 par common shares.

Soca, through its operating company, **La Société de Culture des Terres Noires Ltée**, has extensive black earth holdings in the Eastern Townships area of Quebec. It also has storage and stable facilities.

Here are results for the first nine months in detail:

Nine mos. ended Sept. 30:	1959	1958
Total op. rev.	278,622,532	242,053,690
Less: Op. exp.	187,381,181	175,852,736
Inc. taxes	33,903,000	21,337,000
Other taxes	11,141,000	10,100,000
Add: Other inc.	5,890,572	5,057,589
Less: Tot. fixed chgs.	13,961,757	11,252,728
Net profit	38,126,166	28,568,815

Wanted Now: Small Turkey

From Our Own Correspondent

SAINT JOHN — More Canadians are eating more poultry more often.

That's the satisfying word New Brunswick growers have received from S. L. Rodway, general manager of the Poultry Products Institute.

And, says Rodway, when some breeding and marketing problems are straightened out, still more chicken and turkey will garnish the Canadian dinner table.

Needed:

- **A small, family-sized turkey.**
- **Or, a method of cutting a turkey** into neat packages to feed five and retail at a modest price.

Per capita consumption of chicken in 10 years is up from 5 to 20.3 lb. and of turkey from 2.6 lb. to 6.1 lb.

REAL ESTATE | *directory*

Quebec

WESTMOUNT REALTIES COMPANY
IN MONTREAL
Established 1910
A COMPLETE SERVICE IN COMMERCIAL AND INDUSTRIAL REAL ESTATE
1367 Greene Ave. • MONTREAL • WE. 5-8541

Ontario

SITE SELECTION
ARCHITECTURAL DESIGN
ENGINEERING
CONSTRUCTION
LEASE OR SALE

AN AFFILIATE OF WEBB & KNAPP (CANADA) LTD.
TORONTO **INDUSTRIAL LEASEHOLDS** (1957) LTD.
12 Sheppard Street, Toronto, Ontario.
Constructing from Coast to Coast in Canada.

For Sale or Lease

A property in the limits of the town. A lot of over 17,000 sq. feet. A building-steel structure 60' x 30' x 20' high, cement blocks. steel roofing. A heating system.

Apply P.O. Box 1480 • Baie Comeau, P.Q.

Of Special Interest to Industry

We have been authorized to offer for sale or lease a select industrial property located in Toronto. The property comprises a single story building of 125,000 sq. ft., together with a land area of 14½ acres. Erected in 1952, this plant offers efficient layout and complete modern services.

FOR INSPECTION
Please call D. F. Evans

W. H. Bosley & Co.
Real Estate Brokers
27 Wellesley St. E. • Toronto • WA. 4-2533

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

EMPLOYMENT WANTED

PAYMASTER

Married man, 31, employed as paymaster, vast experience re all allied functions. Administration of company and provincial benefit plans. Personnel, sales experience. Pensions preference, will relocate.

Box 824,
The Financial Post, Toronto

Professional Engineer

Experienced in structural & machine design, plus five years experience on the managerial level in the rubber industry. Age 38, married, university education.

Box 844, The Financial Post, Toronto

Young Man, age 30, managing director of diversified company for five years

REQUIRES TOP MANAGEMENT POSITION

in any of the following fields: automobile, drug, food, hardware, petroleum and travel. Experienced in management, accounting, systems, wholesale and retail sales. Well travelled. Excellent references.

Write Box 843, The Financial Post, Toronto

CONSTRUCTION ENGINEER

Honours university graduate (1956—Civil), 25, single, presently supervising light construction work, requires challenging engineering or administrative position offering good experience and future with reputable Company.

Reply Box 839,
The Financial Post, Toronto

ENGINEER,

Ontario, first class, good health, abstainer, elderly. Reasonable remuneration, commensurate duties. Free December.

Box 847,
The Financial Post, Toronto

SENIOR EXECUTIVE AVAILABLE

A widely travelled top executive seeks a challenging position with a progressive organization.

Extensive experience in negotiating Canadian, United States, and Foreign contracts. Has dealt with the highest levels of industry and government.

Sound background in administration, taxation, finance, and marketing. Broad policy making responsibilities with full authority for special projects; including the purchase and reorganization of companies as subsidiaries.

Has shown a continuing pattern of success and growth. Lawyer and University of Toronto graduate.

Requires substantial salary.

Box 819, The Financial Post, Toronto

CHARTERED ACCOUNTANT

With several years successful experience in senior capacity in industry and finance is interested in relocating, preferably with small or medium size company requiring such experience. Prepared to accept position offering moderate present income with good opportunity for future growth. Advertiser is a vigorous 50 years of age with mature judgment, pleasant personality and the ability to get along with people at all levels. Familiar with modern accounting and control techniques, accustomed to hard work and responsibility. Your confidence will be respected.

Box 794, THE FINANCIAL POST, TORONTO

EXPERIENCED UNIVERSITY GRADUATE

offers demonstrated competence and growth potential based on top level managerial experience and solid educational foundation.

EDUCATION — M.B.A. (Harvard), B.A., B. Comm.
EXPERIENCE — General management, organization and administration, finance, marketing and economic research, industrial marketing, systems & methods, executive development, public speaking.
PERSONAL — Early thirties, married, analytical and enquiring mind, interested in national and world affairs, willing to relocate.
OBJECTIVE — Challenging executive position with progressive organization in one of following areas: executive assistant to senior officer, general manager, corporate and economic planning, financial or marketing management.

Resume available from BOX 817, THE FINANCIAL POST, TORONTO.
Your enquiry will be answered promptly and kept confidential

CONSTRUCTION MANAGER

Seeks challenging position involving co-ordination and administration in general contracting. Unusually broad experience and ability to deal with owners, architects and consultants. Toronto area only. CH. 4-7866.

Box 820, The Financial Post, Toronto

OFFICE MANAGER

With proven administrative ability, desires challenging position. Fully experienced in all phases of accounting, office routine, internal controls, methods and procedures. Ability to guide and work with people in harmonious manner. Age 33. Prefer Met. Toronto but willing to re-locate.

Box 818, The Financial Post, Toronto

***CREDIT* — OFFICE MANAGEMENT**

Twenty years experience in credit & accounting with excellent background. Desires position with a good future.

Box 848,
The Financial Post, Toronto

PURCHASING AGENT

Experienced buyer of electronics, steel, airplane, and complete dept., control. Graduate Engineer. Presently employed. Available 30 days' notice.

Box 762,
The Financial Post, Toronto

SENIOR FINANCIAL EXECUTIVE

Ten years financial and administrative experience in a top management position with a major industry. Presently employed in the $20,000 salary range. Desires challenging senior position where initiative and effort are required. Canadian, late thirties, Chartered Accountant, Commerce and Business Administration degrees.

Box 814, The Financial Post, Toronto

SALES ADMIN./GENERAL MANAGEMENT

Englishman 5 years in Canada, age 35, seeks post in above; experienced in consumer goods — distributing/import/export/manufacturing. Thorough knowledge of sales planning and organization, market research, production planning, stock controlling, buying, costing and office organization. Educated to university standard, world-travelled, now resident of Toronto. Please write:

Box 813, The Financial Post, Toronto

EXECUTIVE PRESIDENT

age 47, seeks position as: Real Estate Negotiator, "Shopping Centre Developer", or Director of Leasing.

Qualifications: University education — Business Administration. Exp. in: Leasing, Real Estate Negotiations, Property Management, Shopping Centre Development.
Intelligent, good personality, sales ability. Presently employed as President of Real Estate Concern.
Contact man — connections with top men of all major department stores in Canada.
Expected salary not less than $15,000 a year.

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The Financial Post, Toronto

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EXECUTIVE

Successful sales and general management experience. High energy level, in mid-forties, presently employed in light industry. Seeks change. Willing to locate anywhere.

BOX 836
The Financial Post, Toronto

Power Corp. Unit to Manage All-Canadian Mutual Funds

Management of $24 million **All-Canadian Funds** of Vancouver passed this week to interests linked with the Montreal-based underwriting house of **Nesbitt, Thomson & Co.**

A new company, **Capital Management Ltd.**, on Nov. 1 succeeded **Capital Management Corp.** as manager of All-Canadian Dividend Fund and All-Canadian Compound Fund.

Capital Management Ltd. is controlled by three major closed-end investment companies — **Power Corp. of Canada** (assets $51 million), **Great Britain & Canada Investment Corp.** ($7.1 million) and **Canadian Power & Paper Securities Ltd.** ($5.6 million).

The three closed-end funds have several officers and directors in common.

Pemberton Securities Ltd., Vancouver investment dealers, will be associated with Capital Management Ltd.

Chairman of Capital Management Ltd. is W. J. Borrie, of Vancouver, former president of Capital Management Corp. President is W. A. Arbuckle of Montreal, who is a director of Power Corp. and president of the other two closed-end funds.

D. W. Mitchell and Arthur Phillips, managers of All-Canadian Funds since their inception five years ago, will join the new management company.

Investment policies of All-Canadian Funds will remain unchanged, said Peter N. Thomson, vice-president and managing director of Power Corp. He anticipated "continuing rapid growth" for the funds.

Assets of All-Canadian Funds totaled $24,559,753 at Sept. 30. Recent prices for Compound Fund shares were $7.53 bid, $8.19 asked, and for Dividend Fund shares, $6.07 - $6.60.

Power Corp. in 1957 bought control of a Vancouver acceptance company, **Imperial Investment Corp.** Investment in the subsidiary was valued at $2.1 million at last report.

Directors of Capital Management Ltd. are Messrs. Borrie, Arbuckle, Thomson and Mitchell, N. Ivory and M. R. Peers of Montreal, and A. F. Wright of Vancouver.

CONSULTS FOR SWEDEN

A Canadian metallurgical engineer has been appointed consultant to the Atomic Energy Commission of Sweden. Alvin H. Ross of **A. H. Ross & Associates** is already consultant to the U. S. Atomic Energy Commission Oak Ridge National Laboratories. Mr. Ross was manager of crown-owned **Eldorado Mining & Refining** operations at Port Hope, Ont., from 1945 to 1952.

Sussex Ginger Ale Bond Issues Sold

MONTREAL (Staff)—An issue of $200,000 6¾% 15-year bonds, series B, of **Sussex Ginger Ale Ltd.** has been sold at par by **Eastern Securities Ltd.**, Saint John, N.B.

Bonds, maturing Oct. 30, 1976, are non-callable for refunding for the first 10 years.

Part of the proceeds is for construction of an addition to company's Halifax plant. Balance will be added to working capital.

In the seven months ended July 31, net profit was $41,229. This compares with $31,881 in the full year 1958, according to the prospectus covering the bond issue.

After giving effect to the current issue, outstanding capitalization will comprise: $240,000 4¾% Series A bonds due Dec. 1, 1975; $200,000 Series B bonds; 15,000 common shares ($10 par).

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New Product Development

Progressive creative manager with experience in plastics production and product development required for expansion programme with a well established diversified Toronto located company.
Send full particulars as to salary expected, etc. to.

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Important European company is looking for a
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A person specialized in filtration problems and having good connections in the mining world viz. uranium, copper, gold, etc. —Reply
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This major non-ferrous tubing manufacturer requires a qualified accountant to supervise the cost account section in this modern office.

Applicants should have an R.I.A. degree and several years experience with industrial standard cost systems. I.B.M. experience preferable.

Reply with a complete resume of education and experience to:

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This position is primarily that of a senior level administrator. Serves as a member on a three man Board of Administration consisting of two appointed Commissioners under the chairmanship of the Mayor. The Board is responsible for:
1. The effective execution of Council policies and legislative enactment.
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3. Advising and assisting City Council in policy formulation.
4. This Commissioner is responsible in a large degree for the administration and co-ordination of the Public Works and Public Utilities of the City.

SALARY
Present combined salary and expenses $16,000 per annum. This salary is open to reconsideration.

QUALIFICATIONS
Graduation in Civil Engineering from a recognized university. Extensive experience in top level administration, with a thorough knowledge of municipal works and utilities.
Applications in writing containing full details of training, experience, and date available will be received by the City Clerk, City Hall, Calgary, Alberta, until 5:00 P.M., November 23, 1959.

CANADIAN INTERNATIONAL PAPER COMPANY
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SALES REPRESENTATIVE
for subsidiary company
Hygrade Containers Limited

He will represent a long-established corrugated shipping container line in the Toronto area. He should be in the age group 27-40 with a proven successful record in Industrial sales. This is a salaried position with car and expenses. It offers a challenge and requires initiative and drive. It could lead to promotion within the parent company and its subsidiaries.
Applications will be treated in confidence and should contain full particulars as to age, marital status, education, experience and salary expected.

Reply in writing to the Company at:
Room 942, Sun Life Building, Montreal

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SALES MANAGER
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Required for Ultra Modern 500,000 Cu. Yd. Capacity Ready Mix Company being organized in Toronto Area.

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Please reply in confidence to

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Salary to Start $7,500

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An aggressive, self-reliant individual, age range 30-40, who has acquired an extensive background in the rental of apartment and residential property.
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DIRECTOR OF PURCHASING & STORES

Required by the City of Toronto. Applications are invited for the position of Director of Purchasing and Stores. The occupant of this position will report directly to the Board of Control and will be responsible for all purchasing and stores matters including operation of a Multilith Unit. Additionally, until discontinued, the Director will also perform this function for the Municipality of Metropolitan Toronto. Applicants must be fully conversant with all phases of purchasing and stores requirements of a large municipal corporation and have ability to give leadership and direction to a staff of approximately 60 employees. Applications by letter, together with all relevant data as to qualifications, are to be addressed to the **Commissioner of Personnel, Room 320, City Hall.** Applications will be treated as confidential.

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degree, background in primary & fabricated products, age to 45

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An excellent vacancy exists for a manufacturing executive who has good leadership and management ability coupled with sound technical knowledge, in an expanding medium sized manufacturing company.
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Must have knowledge of Gas Designing re: stoves, refrigerators, griddles, etc. Must also possess expert knowledge resultant products of combustion. Reply in confidence and refer to file No. 287.
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Applications, which will be held in the strictest confidence, should be in writing, providing full details of education and experience, and be addressed to:

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is required to take charge of all plant and cost accounting in a large industry in eastern Canada. Necessary qualifications are an accounting degree and proven ability to supervise the work of others. Candidates should have good experience of budgetary control and standard costing techniques and preferably have some background in heavy industry.
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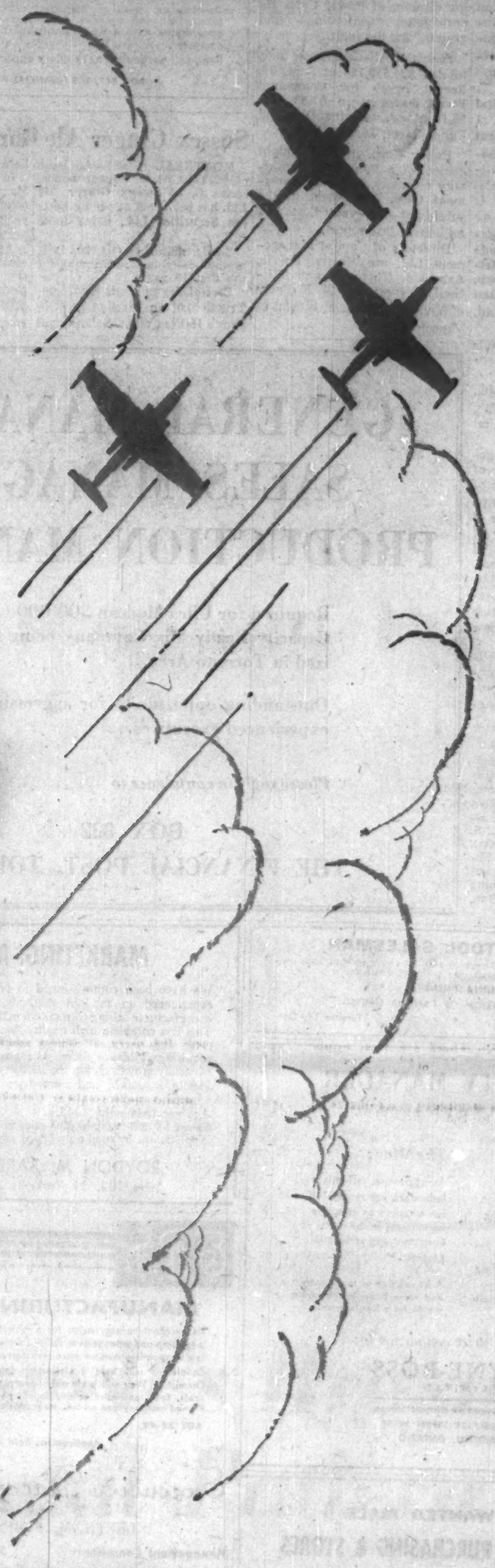

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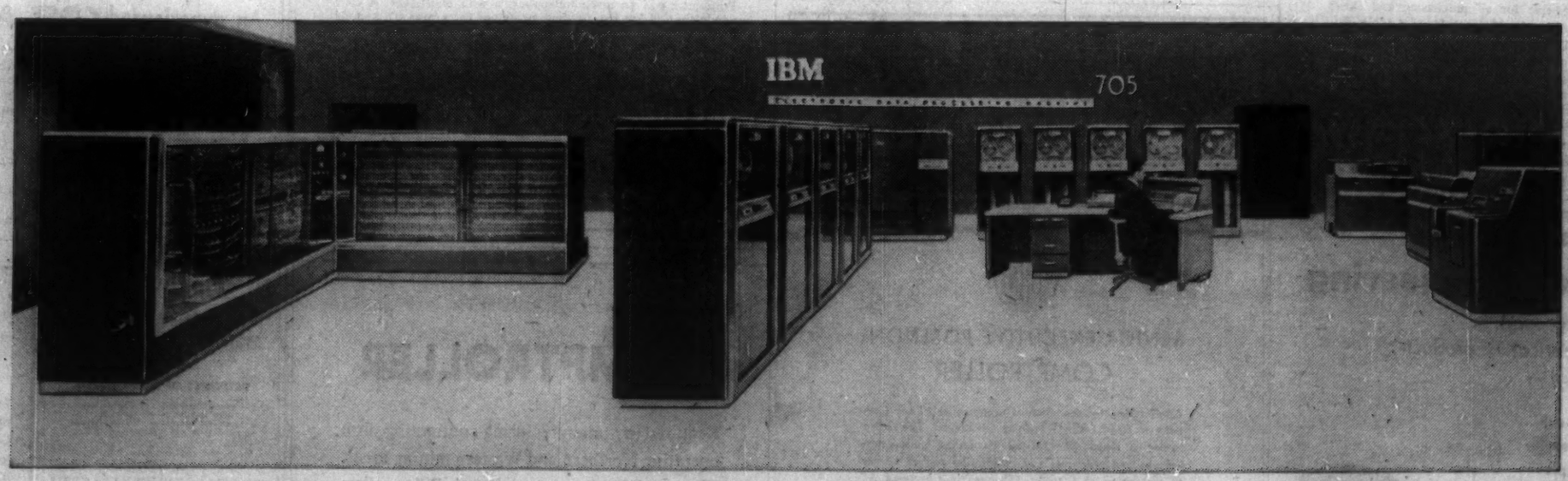

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The Financial Post

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Cascade Lounge, Royal York Hotel, Toronto. Photo by Canadian Pacific Railway.

The cocktail lounge . . .
To many Canadians, it stands for elegance and civilized living. And good business, too. Manitoba, for example, had a $5.6 million wave of capital spending on bars and restaurants during the first two years of its liberalized liquor laws. On the other hand, one New Brunswick hotelman watched 200 guests walk out because he had no license. The cocktail bar is the heart of a controversy that may be costing your community millions upon millions of dollars. Here's a special FP report on liquor and what it means to business.

Sides Change in Canada's Liquor Battle

The great big fight over alcohol "ain't what it used to be" . . .

By RAY MAGLADRY
and FP Correspondents

Liquor is big business on the local level in Canada, whether you like the idea or not.

It's big enough to change the pattern of our endless wrangle over liquor laws. That used to be Wets vs. Dries. Today it's Business vs. Dries (**FP**, Sept. 26).

The plain dollars-and-cents fact:

Spirits, beer and wine in lounges, bars and restaurants put millions upon millions of dollars into community economies.

Consumer spending on alcoholic beverages of all kinds has topped the $1,000-million-a-year-mark in Canada. Those millions go into provincial coffers, and into distillery, brewery and winery wages, spending and profits, and into bar and restaurant tills.

But the side effects pour millions more into hotels, retail shops, the food industry, construction, travel services, decorating, entertainment, transit. Those are local millions. They mean jobs and profits right in the old home town.

- **In the first two years of Manitoba's** more liberal liquor laws, there was a capital outlay of $5.6 million in hotels, restaurants and lounges.
- **Canada's 200-odd seasonal tourist hotels** with licenses do more business than all the 700-plus non-licensed places together.
- **Vancouver hosted 14 conventions in 1952.** British Columbia brought in freer liquor laws the following year. Vancouver attracted 85 conventions last year.
- **"One Edmonton restaurant,** in poor financial shape a few years ago, has tripled its business under new Alberta laws," says restaurateur Chris Diamond.
- **Fully-licensed Quebec hotels** outnumber such establishments in Ontario by more than 100%, and the Quebec hotels do twice as much business. Ontario hotelmen are worried by the competition. Even Ontario residents, they complain, flock to Quebec resorts for holidays.
- **"More than 200 tourists left my hotel** this summer when they learned there was no lounge. The first thing they ask is where the bar is," commented Wilfrid Boutin of St. Stephen, N.B., when his hotel went on the auction block recently.

Why all this money-power in a dry martini or rye-and-soda?

Hundreds of thousands of Canadians with money to spend — as hosts, travelers, businessmen and conventioners — look on liquor as an essential part of dining and entertainment.

They serve liquor in their homes. They drink it at their neighbor's house. And they want it when they eat out, travel or hit the town.

Their spending power can build a first rate resort. Their patronage can create famed restaurants. They can bring millions to a city.

Ontario bartenders, through their union, are petitioning the government for 2 a.m. closing of bars and lounges, instead of the present midnight closing.

"We are worried that Quebec is going to grab more of the $60-million-a-year convention business that our employers now enjoy," says a union spokesman.

An Oriental restaurant opened in Toronto not long ago, unmatched in food, atmosphere and service. It pulled crowds immediately, but it failed to get a license. After months of financial agony, it perished.

U. S. tourists come to Canada from a land where liquor and good food are commonplace. Fortunately we have scenery, fish and game, or Canada's $300 million-plus tourist income would shrink rapidly.

Some of our restaurant food is far from good enough and does not compare well with the U. S. average.

Most fact-facing restaurant men will tell you that it's virtually impossible to run a profitable, really first-class dining room without bar income.

Despite the business facts, the pattern of change in Canada's provincial liquor laws has been slow.

Ontario took the first plunge in 1947-48 with a new set of laws which brought a variety of new licenses into existence.

In this decade, all three Prairie Provinces and British Columbia have overhauled legislation.

Now, a big push is getting under way in New Brunswick, Nova Scotia, and to a lesser extent, Prince Edward Island.

The hottest spot in the Business-vs.-Dries war is probably in New Brunswick. An explosive battle has started in the province where anti-liquor forces have been traditionally strong and vocal.

But few are betting on the outcome one way or the other.

A Saint John Board of Trade tourist committee spearheads the drive. It claims impressive support from various business groups and individuals.

Businessman David N. Cormack carried an unanimous resolution through the Board of Trade, later won backing from 12 major provincial organizations and got support from a general meeting of the Maritime Provinces Board of Trade.

Here's the New Brunswick trend and developments in other areas across Canada:

New Brunswick: An explosive fight . . .

A sore spot is the presence of quasi-legal "clubs" of which there are an indeterminate number in the province — about 40 in Saint John and more than 35 in Moncton. At these, members can obtain beer and liquor.

These clubs tend to line up with the Dries, although they publicly favor modification. Relaxed liquor laws would put some out of business, hotel operators charge.

A national survey firm — **Elliott Haynes** — has completed a survey for the Maritime division of the Dominion Brewers Association. The results: An overwhelming percentage, more than 65%, are dissatisfied with the present system. More than half — 55% — would like to see open sales of beer, at least.

Fred Farren, president of the Service Station Operators Association, says that a good proportion of tourists ask where they can get a drink. They can't if it's after liquor store hours, unless from a bootlegger.

Bootlegging flourishes in the province, although figures are impossible to obtain. Police in all areas have so-called "restricted persons" lists, made up of those who have been charged with selling liquor.

There is one "open bar" in the province, at least. It is operated in the **Canadian Pacific Railway's** Algonquin Hotel at St. Andrews. This operation is an extremely sore point with other hotelmen, who contend it is an attraction that goes a long way to carry the Algonquin operation.

According to Austin Graham, Restaurant Association president, the present condition is steadily cutting deeper into hotel and restaurant revenue opportunities.

Social functions are switching more and more into the "clubs" because, says Graham, "They have the liquor there and they can bring in food. That is hitting us both ways."

Ontario: New rumblings of discontent . . .

Although Ontario led the parade to liquor licensing (1946-47), rumblings of discontent are getting louder in the middle province.

Possibly as a result of slow-licensing trend, bright forecasts for a winter tourist resort industry have failed to materialize.

There are other sore spots, from the business point of view.

Restaurants, for example, find that licenses for serving beer and wine with meals are hard to come by.

Despite restrictive licensing policies, the coming of bars has made startling changes in the Toronto restaurant field, a restaurant industry spokesman says.

"It's actually out of proportion to the relatively few beer and wine restaurant licenses that have been granted."

"There are several specialty places right now that live on hope of getting a license."

He points to figures in the Ontario Liquor License Board reports. There were 18 licensed restaurants in 1957-58 year, down from 19 the previous year.

"There are simply not enough licensed restaurants," L. M. Gillespie, Ontario co-ordinator of Canadian Restaurant Association, has argued before the legislative committee on tourism.

Restaurants in Ontario number about 5,000, employ some 50,000 persons, do about $200 million business a year.

"More than one third of our members in Manitoba have licensing, but only a fraction of 1% of Ontario members are in this class," Florence Montgomery, managing director of the restaurant group, points out.

A hotel operator says:

"Hotels probably sell $4 million of hard liquor a year, other licensed outlets about $3 million. That leaves over

(Continued on page 26)

The Law and How It's Broken: There's No National Pattern

For the liquor, beer and wine industries "the law" is a many-sided thing.

But there is one generally consistent thread running through the maze of provincial regulations: Each one reflects a legislative desire for "control".

While the trend is to big change — usually to more liberal legislation—the philosophy of control is retained.

Coloring the situation, however, are the varying patterns of law breaking and enforcement from province to province.

New Brunswick has its quasi-legal "clubs" where refreshment is available, but hotels and other commercial places are not licensed.

Some night clubs in certain Quebec cities do brisk trade in the small hours, yet there is legislation forbidding sale after midnight.

Our newest province, Newfoundland, permits hotels to serve beverages on certain Sunday hours, an unusual twist in a country where Sunday has been Dry for generations in other provinces.

In Ontario, permit-holding citizens can buy all they wish of packaged liquor, beer or wine.

But in Prince Edward Island, the $2 permit means purchases of up to four bottles of liquor or four cases of beer a month, no more.

Here are the latest provincial and territorial regulations, coast-to-coast:

Newfoundland

In 1924, Newfoundland forsook prohibition which had been in effect from 1915.

There have been many amendments to the act in the interim. The latest (1954) forbids taverns to open Sundays. Previously they had opening hours from noon to 3 p.m. and 5 p.m. to 8 p.m.

Now only hotels can sell beer, wines or liquor on certain hours on Sundays.

The Board of Liquor Control administers the regulations. There are eight government liquor stores, of which five are in St. John's. The Board also maintains a mail order department to receive orders for shipments by express or coastal vessel throughout the province, including many hundreds of small places scattered along the coastline.

Board may grant the following licenses:

Hotels may sell beer, wine and spirits to registered guests; operate a lounge in a part of the hotel where beer, wine and spirits may be sold to the public.

Clubs and military messes may sell beer, wine and spirits.

Airport establishments may sell beer, wine or spirits to persons who are passengers of the airline only.

Railway and steamship companies or airlines may sell beer, wine and spirits to passengers only.

Restaurants may sell beer and wine with meals.

Taverns may sell beer and wine.

There are 173 such licenses, 17 to hotels, 56 to clubs, 19 to military messes, one to Gander Airport, 10 to restaurants and 70 to taverns. In addition there are 300 registered brewers' agents who sell beer by the case in outlying regions.

Men and women may be patrons of taverns which are permitted to sell beer and wine.

There are no restrictions against liquor advertising in Newfoundland.

But liquor advertisements must carry the words "not inserted by the Board of Liquor Control".

Prince Edward Island

The Prince Edward Island Temperance Commission, which controls the sale of beer, wine and liquor in the province consists of a chairman and two commissioners.

The Commission has general control over the management and supervision of the various retail liquor outlets in the province and they alone are responsible for the importing and selling of alcoholic beverages through the legalized "vendor" outlets.

Resident permit costs $2 per year while the tourist permit costs 25c and is good only for one month.

There are three other types of special permits. Each of these are for different purposes.

Permits are issued to physicians, druggists, dentists, veterinarians or for scientific purposes such as manufacturing.

Another category of permit is used by a clergyman of any denomination for sacrament purposes.

Another special permit costs $2 and is used for special occasions such as banquets.

Extracts too come under the Temperance Commission and are sold by retailers under license.

Nova Scotia

In Nova Scotia, the sale of liquor, beer and wine for off-premises consumption is confined exclusively to the government liquor stores. No liquor may be obtained from or supplied by druggists.

There are 55 government liquor stores in operation throughout the province.

Since September, 1948, as a result of voting in various communities in the province, 11 centres approved the establishment of taverns where beer is sold either in the glass or in bottle to men only.

Also under local option voting, the sale of beer and wine in hotel dining rooms was approved. Only four centres are provided with this liquor outlet.

In Halifax only, the government liquor store operates a mail order department where orders are delivered to residents after payment has been made in advance at any of the government stores.

A permit for all purchases of beer, wine or liquor at the liquor commission store is essential. These are made available to persons over the age of 21 years at a fee of 50c a year.

New Brunswick

New Brunswick law is extremely strict.

All authority is vested in a one-man commission, responsible to the cabinet. The commissioner's rulings are final.

No liquor can be purchased except through official government outlets.

One exception: Certain clubs in cities are allowed to serve beer and liquor to members.

But other than that, there are no provisions for sale by private establishments of any kind.

Quebec

Under Quebec liquor law, wine and spirits can be retailed by bottle only through licensed government liquor stores. Beer, however, can be sold by certain grocery stores under license.

In isolated areas, mining or other industrial companies can, in some cases, take over the sale to employees and local inhabitants.

The sale of beer and liquor in bars, restaurants, clubs, and taverns is also controlled by the province. There is a full list of times, places and conditions set out in the act.

The Commission controls the conditions that must be met by persons wishing to sell drinks under license.

They can only be served, says the act, in those rooms designated by the Commission. These must be so laid out and

(Continued on page 26)

Just Who Are 'Dry' Forces?

Who are the Dries?

More correctly, who's behind the force that opposes more liquor outlets and freer drinking laws?

The term Dries has lost its literal meaning. Today it includes some very Wet citizens indeed.

Here's a partial list (not in order of influence or importance):

- **Church groups,** dominated by the huge United Church of Canada.
- **Temperance groups,** unaffiliated with churches.
- **Established licensees.** The operator with a profitable bar doesn't want more competition.
- **Bootleggers.** The Drier the area, the more they flourish. Many are wealthy and locally influential.

(In pre-cocktail Winnipeg, one bootlegger delivered to the door and arranged credit. Another establishment gave twofold service: The husband made book on horses, the wife sold liquor.)

- **The clubs.** Thousands of legal, semi-legal and quasi-legal clubs have been organized around liquor. In bar-less and Dry areas, they're often the sole source of liquor.

The Law and Liquor: No National Pattern

(CONTINUED FROM PAGE 25)

furnished that a clear view of the whole room can be had by a customer sitting in any part of it.

It is expressly forbidden to sell liquor or beer in hotel rooms.

The law says hours of sale cannot be extended beyond midnight. On specified holidays all retail outlets must be closed, and clubs and hotels can sell beer or wine between the hours of 1 p.m. and 9 p.m. to members or travelers.

Any city, town, village or district has local option to prohibit all sales in its area. This comes about if 30 or more electors ask the Commission for it. A vote is then held.

The act sets out penalties for breaking the law on sales. First offence calls for a fine of not less than $50 and not more than $200. Second offence can earn not less than one month in jail and not more than three.

A tax is levied by Commission outlets ranging between 5c and 15c per bottle depending on size — to be used in aiding the unemployed.

In actual fact, the liquor laws in Quebec are administered more liberally than the letter of the law would suggest.

Drinks are openly sold in night clubs well beyond the midnight deadline. Hotels and restaurants sell hard liquor as well as wines and spirits on most holidays — often with only a token attempt to supply food at the same time.

Neither tourists nor local inhabitants seem anxious to see any tightening in the laws.

Ontario

The last major overhaul of Ontario's liquor laws came in 1946 although its effects were not felt until 1947-48 when new regulations were brought into force.

These changes provided for sale of liquor by the glass by commercial establishments for the first time since World War I. Previously, hotels were permitted sale of beer and wine in beverage rooms and dining rooms under 1934 regulations.

Here's what the postwar change did:

It created four basic types of licenses including dining lounge license covering liquor sale with meals, dining room covering beer and wine with food, a lounge category for sale of all liquor by glass and public house licenses for beer sales. The latter license has two parts: One for men only, the other for women only or with escorts.

The Ontario licensing authorities grant various types of these licenses to some 10 classifications of businesses or clubs.

They include: hotels, taverns, public houses, restaurants, social clubs, veterans' clubs, labor clubs, military messes, steamship and railways.

Cities of 50,000 population and over (Toronto, Hamilton, Ottawa, Windsor and London) were named as eligible for licenses under the new laws. Other areas, however, have had to have local option votes to determine which types of licenses would be granted.

Restaurants—that is, places selling meals only to public—are eligible for dining room licenses (beer and wine with food).

A tavern normally holds two licenses, in the dining lounge and lounge categories.

Large hotels are granted similar two licenses. So are railways.

Distribution of liquor by the bottle comes under the Liquor Control Board of Ontario — a body which has been functioning since passage of the Liquor Control Act in 1926-27.

Sales of spirits are made from the board's stores scattered throughout the province. Imported and domestic beers and wines are also distributed through these outlets which numbered 217 in latest report.

Besides the board stores, breweries are licensed to sell their products in Ontario at the brewery site. In addition, through a co-operative company, **Brewers Warehousing Ltd.**, brewers operate retail outlets in areas where local option votes have favored such sale.

Domestic wines are distributed through licensed wine offices, operated by individual wine companies, as well as through LCBO stores. There are some 50 retail wine stores in operation.

Manitoba

Before the present liquor act the only liquor licensing in Manitoba was sale of beer by the glass to men only in hotel beer parlors. Wine and spirituous liquors were sold only at government liquor stores.

The present act permits five new classes of license, all subject to local option.

They are:

Restaurant licenses for sale of beer and wine, open from noon to midnight.

Beverage rooms for beer and wine open from noon to 10 p.m., issued to applicants only if they have a restaurant license.

Dining room license for all kinds of liquor, open from noon to midnight.

Cocktail room license, all liquors, noon to midnight.

Cabaret license, all liquors, 5 p.m. to 1 a.m.

The hours for beer parlors are 10 a.m. to 10 p.m. but the new act requires them to close during the supper hour from 6.30 to 7.30 p.m. This provision also applies to beverage rooms and cocktail lounges.

In addition to sales through government liquor stores the present act provides for liquor store agencies at points where population does not warrant a full time liquor store.

So far 30 have been established, all but four or five in drug-stores. They are located in unorganized territory or in districts which are remote from the nearest liquor store.

Sales through these agencies are less than 5% of total liquor store volume. All of them are under control by contract with the Liquor Commission, are subject to supervision and audit by the Commission, and have to adhere to Commission store operating procedures.

Saskatchewan

Saskatchewan has beer parlors for men only, and government-operated liquor stores.

Liquor store hours are from 1 p.m. to 8 p.m. and at its last session the Saskatchewan Legislature agreed that opening could be extended to 11 p.m. in cities "at the discretion of the Saskatchewan Liquor Control Board".

Beer parlors recently had an extension of hours. They're open until 11 p.m., with no beer served after 10.45 p.m. Previously, beer parlor doors closed at 10 p.m. and customers were allowed until 10.30 p.m. to finish their drinks. The parlors open at 11.30 a.m. and are closed from 6.30 p.m. to 7.30 p.m.

It was not until 1934 that beer parlors for men only came into being. People voted in favor of them in June of that year and they were set up in various centres by local option vote later.

There was no major change in Saskatchewan liquor laws in the intervening years until it was decided that residents could vote this year on new outlets.

Subject to local option, these types of outlets would be eligible for licenses.

- **Beverage rooms,** or beer parlors.
- **Dining rooms** in hotels.
- **Cocktail lounges.**
- **Private clubs.**
- **Restaurants.**

Alberta

Since the new liquor laws took effect in 1958, the Alberta Liquor Control Board has issued 48 dining lounge and lounge (cocktail bar) licenses and nine entertainment (cabaret) licenses.

Alberta has licensed one distillery and six breweries. It also has 442 hotels which are licensed to operate beverage rooms for the sale of beer by the glass or bottle.

The board also grants club licenses for the sale of beer.

Under the new legislation there was provision for the licensing of additional liquor outlets.

One was a dining lounge license which authorizes the licensee to sell liquor by the glass for consumption only in the dining room together with meals.

If he so desires, the holder of a dining lounge license may next apply for a lounge license. When a lounge license is granted, the holder may sell liquor only in the licensed lounge with or without meals.

The board may issue to a dining lounge licensee authorization to provide live entertainment for the patrons.

The board also may require the licensee to provide space for dancing with requisite musical accompaniment.

The regulations provide that liquor may be sold in the premises of a licensed dining lounge or lounge from 11 a.m. to 11.30 p.m.

The board does not set prices for drinks served in a dining lounge or lounge but price lists will be required to be filed with the board and changes in prices will only be permitted after notification and acknowledgement by the board.

Dining lounges are subject to a liquor-food split. Liquor sales must be incidental to the sale of food and other services of the dining establishment.

Gross liquor sales revenue must not exceed the gross revenue from food and other services.

British Columbia

British Columbia's liquor laws provide for four basic types of outlet licenses.

- **Dining room license** permits sale of malt liquors and wines with meals. This license is issued to hotels, restaurants, clubs, railways, steamships and resorts.
- **Dining lounge license,** similar to dining room license, but authorizing the consumption by the glass of spirituous liquors in addition to malt liquor and wines.

This license is designed for night clubs, cabarets and certain restaurants. Licensed outlets are required to serve regular meals throughout the day, or one or two meals in the evening.

- **Lounge license** covers what is commonly known as the cocktail bar. Sale of spirituous, malt liquor and wine all are permitted.

Only hotels, clubs, resorts and military messes may hold this license.

- **Public house license** is better known as beer parlor or tavern license.

This license authorizes sale of malt liquor and "light refreshments", and may or may not be attached to hotels, although the very great majority are located in hotels.

Yukon

Northwest Territories

Liquor ordinances are in effect in both Northwest Territories and Yukon which give the NWT and Yukon commissioners complete power over beer and liquor sales.

The commissioners, who are, in effect, territorial governors, have powers to say what kinds of liquor shall be sold, how many and what kinds of outlets will do the selling, days and hours of sale.

The commissioners issue licenses to operate liquor stores, cocktail bars and beer parlors and permits to buy liquor or beer. A person needs one of these permits before he can drink in a cocktail bar or beer parlor. The government, through the commissioners, handles all liquor and beer supplies.

By all accounts, the commissioners have been generous.

In the NWT there are cocktail lounges at Fort Smith and Yellowknife and a beer parlor at Hay River.

In the Yukon, there are dozens of cocktail bars and beer parlors at Whitehorse and Dawson and at points en route.

Liquor and beer can't be sold either to Eskimos or Indians, or to white people habitually kicking up a rumpus. As the ordnances put it:

"Where it appears to the satisfaction of a police magistrate that any person wastes or lessens his estate, injures his health or interrupts the peace and happiness of his family" the magistrate may issue an "order of interdiction" and it becomes illegal to sell the man liquor or beer.

Penalties for breaking the ordnances are fairly stiff — up to $100 or two months for the first offence; up to $300 or four months for the second; up to $500 or six months for succeeding offences.

Eskimos are defined fairly liberally. The Eskimo wife of a white person can buy liquor; and so can any Eskimo who leaves the tribal ways of his fathers and takes up a white man's occupation (e.g., mining).

In the Yukon Territory liquor stores are permitted to be open no longer than 9 hr. of any day, must close by 7 p.m. daily.

Ontarians Fill Quebec Resort

"Why is it that there have been so few first class resorts built in Ontario?"

The query is posed by John Fisher, travelled executive director of the Canadian Tourist Association.

"The province is close to the big U. S. concentration of population and has many natural drawing cards.

"I have been told that one Laurentian winter resort at Christmas time was 80% filled by southern Ontario citizens."

Fisher, free-spoken critic on a topic that is taboo for public discussion by many Canadians, believes that many provinces "haven't seen to it that liquor laws kept pace with growing tourism here."

Quebec travel industry, he suggests, is growing fast because of freer licensing patterns.

"The tourist industry favors more sensible laws everywhere. That would include later closing hours in many areas, greater ease for a visitor to buy bottled liquor if he wants it, the right to order in his hotel room."

Alcohol Real Money Maker For Canada's Governments

The crown controls and sells our alcoholic beverages, and makes a tidy sum in the bargain . . .

Yukon
TOTAL SALES

1957	$1,994,654
1958	2,440,646
1959 (est.)	2,260,207

Ontario
NET INCOME

1930	$39,700,000
1955	46,400,000
1958	46,100,000

Northwest Territories
GOVERNMENT INCOME

1950	$100,000
1955	267,500
1958	512,800

Quebec
NET INCOME

1949-50	$26,474,884
1954-55	33,300,000
1957-58	39,000,000

British Columbia
NET INCOME

1950	$17,931,000
1955	20,889,440
1958	26,444,307

New Brunswick
NET REVENUE

1954-55	$6,319,000
1949-50	5,471,000
1947-48	7,231,000

Alberta
NET PROFITS

1950	$12,018,157
1955	15,821,036
1958 (est.)	16,000,000
1959 (est.)	18,000,000

Nova Scotia
SALES

1951	$28,341,521
1955	29,782,756
1958	31,462,518

Saskatchewan
NET PROFITS

1950-51	$ 8,720,000
1955-56	10,179,000
1958-59	12,449,000

Prince Edward Island
NET PROFITS

1950	$676,506
1955	914,224
1958	984,139

Manitoba
NET PROFITS

1950-51	$ 7,958,346
1955-56	8,738,594
1957-58	10,518,543

Newfoundland
NET INCOME

1950	$2,000,000
1955	3,220,100
1958	3,558,500

Tables are not comparable, because of different accounting systems in each area.

The Sides Changing In Our Liquor Fight

(CONTINUED FROM PAGE 25)

$115 million divided between home and places with banquet permits."

The province issued some 9,000 such permits in 1947, around 67,000 last year and total may reach 75,000 this year, he points out.

British Columbia: A major flip to the economy generally . . .

On the West Coast, there has been a similar pattern.

Vancouver has stepped out as an important convention centre. Top-rated eating places have appeared. New capital spending to improve accommodation and facilities has added a major flip to the economy generally.

It started after a 1953 plebiscite in which voters signified their approval of liquor-by-the-glass sale.

To qualify for liquor licenses, restaurants and other eating spots had to meet standards established by the government.

The restaurants dressed up immediately and the metropolitan area now has a host of fashionable eating places where once it had a handful.

The liquor license was the incentive to a proprietor to improve his premises and facilities. And, from the opposite standpoint, the added liquor revenue enabled him to pay for improvements and modernization.

Vancouver restaurant man Nat Bailey, a past president of the Canadian Restaurant Association, states frankly:

"Liberalized liquor laws are the best thing that ever happened to the business.

"It enabled the restaurant man to make a little extra money that he'd never been able to make before. Consequently he upgraded his restaurant and his food."

New cocktail lounges, more fashionable eating places, and other new licensed outlets obviously created new jobs. A school for bartenders in Vancouver did a rushing business with advent of new liquor laws.

Tourism is roughly a $100 million business annually to British Columbia.

Tourist experts, like Jim Hughes, manager of Vancouver Tourist Association, admit that more liberal laws make for a better convention town, attract more conventions.

While old guard hotelmen didn't welcome the change, progressive hotelmen did. The latter changed with the times, the former are being compelled to follow suit.

Manitoba: Far-ranging social and economic effects . . .

A major shift in approach to licensing and liquor store hours has swept over the western provinces in the last six years.

Here's what has happened:

Based on the now-famous Bracken Commission report of 1955, Manitoba's 1956 liquor act places great emphasis on the link between liquors and food.

Although liquor sales through the new type outlets are only 4%-5% of total sales in province, the economic and social effect has been far-ranging.

Some developments to end of last year, after two years under the new deal:

Commercial establishments affected by the legislation (restaurants and dining rooms) have made capital expenditures of $2.4 million for extensions and improvements in Greater Winnipeg.

The same type of establishments outside Winnipeg have made an outlay of $781,000.

Hotels in Winnipeg have made an investment of $608,000.

Hotels outside Winnipeg have spent $1.7 million.

Total capital outlay of commercial establishments and hotels in the province has been $5.6 million.

Winnipeg has become the centre of a fast-growing restaurant equipment and manufacturing industry.

It has been stimulated not only by Manitoba's new liquor act but also because Saskatchewan and Alberta have made it the pattern for relaxation of their own liquor laws.

Sales volume of meals in restaurants has greatly increased. The 1958 volume for Manitoba was nearly $27 million.

Some restaurants with one or more of the new types of licenses say they have doubled their take for meals. More people are eating out.

"The new liquor laws," says Peter Andrews, president of the Manitoba Restaurant Association, "have given owners an incentive to give better quality of meals and better standards of service. The result, Winnipeg now has some of the best eating places in Canada."

"Hotel standards have been improved," says W. B. Fraser, managing secretary of the Manitoba Hotel Association. "The proof is the capital investment by hotel owners in renovations and extensions and projects under way."

"The Manitoba tourist industry, bringing in more than $30 million, is rapidly growing. The old restrictions under which mixed drinking wasn't permissible was often embarrassing.

"The new liquor act came into effect at an appropriate time when there was a slight recession trend in some sectors of the province's economy. The hotel and restaurant industry took up the slack."

Police say bootlegging has become a minor problem in Greater Winnipeg. But the new era has not to the same extent curbed activities of home brew producers in rural Manitoba.

Prince Edward Island: "All you want from a bootlegger . . ."

Nearby Prince Edward Island ranks with New Brunswick as a leading Dry province.

"You can get all you want to drink from a bootlegger," complains a Charlottetown hotel operator.

"Every fourth tourist asks for it. But when they find about the red tape involved in getting a bottle legally, they just laugh at you."

Alberta: Done a great deal to soften the recession . . .

In Alberta, outlets under new licensing law have opened in Edmonton, Calgary, and the Banff and Jasper tourist centres.

Paralleling the experience of Ontario a decade ago, smaller areas are reluctant to vote in new outlets.

Big outlays have been made for improvements and expansion by license-holders. It has done a great deal to soften effect of the 1957-58 recession, observers feel.

Bootlegging of liquor has been sharply curtailed.

"We'll be in a better position to gauge the effect on tourism after this season's performance is known," Motel Association President Alex Mitchell of Edmonton says.

Right now, hotel interests are planning several major building projects in Edmonton, mostly with an eye to licenses.

Saskatchewan: Restaurant standards should improve . . .

Expectations in Saskatchewan are at low level. Businessmen are taking new licensing laws in quiet stride.

The province has beer parlors for men only and government-operated packaged liquor stores.

Now, subject to local option, there is provision in law for licensing of restaurants, dining rooms, cocktail lounges and clubs.

But, from Provincial Treasurer Fines through hotel and tourist operators, there is a tendency to downgrade the importance of the legislation. However, there has been no licensing under the new law yet.

Bootleggers?

"I cannot see how it can affect bootleggers. I have no knowledge of there being any bootleggers in the province," Mr. Fines says.

Other Saskatchewan observers maintain there are liquor dispensers on the shady side of the law.

The new law will cut into the bootlegging trade, Ken Gronsdahl of Saskatoon predicts.

He is commissioner of the city's Board of Trade.

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YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation.

Tax Should Be Calculated On Income from All Sources

By JOHN G. McDONALD, LL.M.
McCarthy & McCarthy, Toronto

IN THE recent case of **No. 657 v. Minister of National Revenue**, after noting in his notice of appeal that "his ancestor was a founder of Montreal", the taxpayer went on to say (in mitigation, perhaps, of the offence) that the assessment of tax in the sum of $5,000.

"(a) represents almost all the taxpayer's annual income,

"(b) is disturbing the peacefulness of his life,

"(c) is ruining his business, and

"(d) is making it impossible for him to secure the care his age and condition require."

The notice of appeal then enlisted the aid of the immortal bard with the words:

"Car l'espérance est tout un pauvre cœur humain . . .

But, by your leave, it never yet did hurt

To lay down likelihoods and forms of hope."

The taxpayer also commented that "he could again make acceptable contributions to the Treasury of Her Majesty, provided God spares him", but even this undertaking failed to move the Tax Appeal Board to mercy.

He Wanted to Offset Loss Against Profit

It seems that taxpayer No. 657 had received a net income in 1952 from his grandfather's estate of $6,000. Unfortunately, he suffered a loss **in the same year** of $4,500 "from his faltering business."

The Board held that he was not entitled to offset the business loss against his estate income. He was thus required to pay tax for the year on the estate income although his profit for the year **from all sources** was almost nil.

The sad result of this case is not that the taxpayer's emotional arguments were held up to public criticism, but that the Board was probably wrong in dismissing the appeal.

The case upon which the Board relied, **No. 193 v. Minister of National Revenue**, dealt with section 13(1) of the Income Tax Act as that section stood in 1949, 1950 and 1951. **Although No. 193 was undoubtedly a correct decision, the Board overlooked the fact that section 13(1) was dropped from the Act in 1952, so that taxpayer No. 657 should have won his case.**

In fairness to the Board, it should be added that No. 657 changed solicitors several times, his last solicitor failed to show up, and the Board therefore was obliged to dispose of the appeal without the benefit of argument.

This Man's Views Might Back Board

If the Board had known the views of Mr. Justice Locke of the Supreme Court of Canada, as expressed in **Interprovincial Pipe Line Co. v. Minister of National Revenue**, (FP, Oct. 17), it could have adopted them in support of the view that profits and losses of a single year from different sources may **not** be consolidated.

Mr. Justice Locke commented, in his recent judgment, that section 139(1)(az) of the Income Tax Act had no prior statutory history, and that he had not been referred to any decision dealing with its interpretation.

Section 139(1)(az) provides that: "a taxpayer's income from a business, employment, property or other source of income or from sources in a particular place means the taxpayer's income computed in accordance with this Act on the assumption that he had during the taxation year no income except from that source or those sources of income and was entitled to no deductions except those related to that source or those sources."

Mr. Justice Locke said that this provision would prohibit taxpayers from offsetting profits and losses from different sources.

Tax Income Based On All Sources

The trouble with this view is that while section 139(1)(az) limits deductions in computing income from a business etc., section 3 of the Act provides that "income" is income **from all sources** including **all** businesses, property, and offices and employments.

We have always thought that this meant a consolidation of profits and losses **from all sources** in determining a taxpayer's income for a taxation year, although deductions referable to one source are not deductible in computing income from a different source, under section 139(1)(az).

In other words, you calculate the profit or loss result from each source separately, but you finish by consolidating the end results to determine "income" for the year "from all sources".

We are persuaded to believe that this is still the correct result, because s.139(1)(az), in fact, has a legislative history as far back as 1919 under the Income War Tax Act, and was fully discussed by the Exchequer Court in a 1954 case.

Mr. Justice Locke apparently also did not have the benefit of full argument in the **Interprovincial Pipe** case. He would not otherwise have undertaken to omit reference to the 1954 decision and to Section 2 of Chapter 55 of the Statutes of Canada, 1919, which enacted the rule that:

"Deficits or losses sustained in transactions entered into for profit but not connected with the chief business, trade, profession or occupation of the taxpayer shall not be deducted from income derived from the chief business, trade, profession or occupation of the taxpayer in determining his taxable income."

'Chief Source' Rule Was Dropped in 1952

In 1949, the old Income War Tax Act was dropped, and the 1919 provision (as amended) was replaced by the rule that "The income of a person for a taxation year shall be deemed to be not less than his income for the year from his **chief source** of income."

Section 139(1)(az) was a subsidiary rule designed to establish "income from a source of income".

When the "chief source" rule was dropped in 1952, **s.139(1)(az) was left in the Act. It has now risen to plague us in the Interprovincial Pipe decision.**

Oddly, the Tax Appeal Board didn't even mention it in No. 657 v. Minister of National Revenue, for whom hope may yet spring eternal.

Quebec Power Profit Up 4%

MONTREAL (Staff) — **Quebec Power Co.** net profit in the first nine months was $1,170,404 ($1.68 per common share) or 3.9% higher than $1,125,724 ($1.63) in corresponding 1958.

Revenue from power sales was up 9.3% in this year's nine months, while total operating revenues were up 9% and total operating expenses 10.3%.

Majority of the common stock is owned by **Shawinigan Water & Power Co.**

Here are comparative details:

First nine months:	1959	1958
	$000	
Rev. power sales	11,255	10,293
Rev. gas sales	333	348
Other op. rev.	133	110
Less: Op. exp.	10,249	9,285
Plus: Rev. from temp. invest., other inc.	63	27
Less: Int.	364	347
Net profit	1,170	1,126

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What the Man Said:

If trading stamp plans are here to stay, every effort must be made to keep them legal . . .

RAY D. WOLFE, president of Oshawa Wholesale Ltd., IGA supply depot for central Ontario, speaking to meeting of IGA store owners and operators in Toronto:

"Competition for the consumer's dollar is now keener perhaps than at any time in the history of Canada's food industry.

"If it maintains its present high fever there is a strong possibility of some casualties.

"Expansion in the supermarket industry falls into two clearly defined categories.

● **"The healthy growth over the past 25 years** has been almost directly attributable to the progressive development of common sense 'need' expansion . . . food store building designed to keep pace with Canada's growth.

● **"Unfortunately, the past two years have seen the development of a disturbing new type of expansion.** I call it expansion for representation, or 'ego' expansion.

"It is the type of expansion that, regardless of cost, wants to be there first with the most.

"Unnecessary or premature moves into either un-developed or over-serviced territories are a costly form of expansion and can only lead to panic measures designed to buy sales to justify such moves.

"But unfortunately in the process they destroy and disrupt nearly all of our established orderly marketing practices.

"Since a Quebec chain elected to enter this market last summer and since it was already operating a stamp plan, it was inevitable I suppose that some of the major Toronto chains would try to anticipate its moves by jumping into stamps immediately, that others would fight back with price reductions.

"This has happened, at some expense to food retailers and, for the moment, to the great delight and benefit of the consumer. But . . . it will be interesting to see where the consumer ultimately casts her vote.

● **"We believe she will choose a combination of both price and premiums.**

"One of the limitations (on stamps) is that which requires the stamps to be redeemed only on the premises at which they were issued.

"Gas station stamps cannot be redeemed by the food store, nor vice versa.

"It is disturbing to read almost daily stamp company want ads seeking to employ canvassers to spread their plans to other than food markets and to hear a myriad of reports from the field that such canvassers are telling potential customers they needn't worry about the law . . . that if the law isn't changed, the big chains, who are the mainstay of the particular plan they happen to be promoting, will redeem the stamps anyway . . . and everyone will benefit.

"Such illegal and misleading representation can only be damaging to our entire industry and poses a continuing threat to the merchant who is trying to fulfill his daily functions honestly and within the law.

"If stamps are here to stay and if they are to be a legitimate promotional device, every effort must be made to keep them legal so that we all work within the confines of the same rules."

OUTFITTERS MEET

The annual meeting of the Northern Ontario Tourist Outfitters Association will be held at Sudbury, Ont., Nov. 30 - Dec. 2.

U. S. Teaching Businessmen How to Behave

From Our Own Correspondent

WASHINGTON, D.C. — U. S. businessmen are learning how to behave in foreign countries in a new course being offered to business executives by American University in Washington.

The course, launched with full approval and co-operation of the U. S. State Department and Vice-President Richard Nixon, provides six weeks of intensive education and understanding of how businessmen should operate in almost every country of the world, except Canada.

Although this may seem unusual, since more U. S. businessmen go to Canada than any other foreign country, nevertheless the university says U. S. businessmen don't need special understanding to work in Canada.

Program director Harold M. Randall, a former congressman, told FP: "We approach this on the basis of cultures that are different and so on, although we study ours also. In the case of Canada we would be less concerned because we're so much alike."

A maximum of 25 business executives can take the course which is held six times a year.

The idea came out of a conference of 40 top U. S. executives and Mr. Nixon who had just returned from being stoned and spat upon in Latin America.

Mr. Nixon felt a better understanding by the businessmen operating in foreign countries might contribute to more international harmony.

The university says, "The program fulfills a conspicuous need, first, to send overseas men who will be better prepared to make a success of their assignments for their companies and, second, to build good will for the U. S. abroad.

"Too often in the past, U. S. business representatives overseas have fallen sadly short in one or the other of these respects — a fact all too widely noted."

Wives also come in for some educating and in the last part of the course wives are taught how to behave with and understand foreigners.

"The conduct and attitude of the wife during the overseas assignment may be decisive in the success or failure of a man's mission," the university says.

The business executives first spent a good part of the time studying U. S. culture and institutions so that they will be better able to explain to foreigners what makes the U. S. tick.

They have briefings on communism and the cold war, the role of labor unions internationally and case studies of success and failure of U. S. businessmen overseas.

Studies also include understanding the customs, traditions and institutions of other societies and the problem of introducing changes into a society.

In the last half of the course the group is broken up into smaller units with detailed studies of Latin America, the Middle East, Western Europe, South and Southeast Asia and the Far East.

Arrangements also will be made, the university says, when it is requested, for special study of other areas such as Africa south of the Sahara, Australia, the Philippines or Israel.

Still no thought of any attention to be paid to the businessman going to Canada, however.

In addition to "book-learning", the executives will make trips to the State Department and hear speakers from the U. S. Foreign Service and the diplomatic corps in Washington.

Apple Growers Face a Rough Winter Ahead

From Our Own Correspondent

HALIFAX — Nova Scotia's apple growers face a bleak winter.

About 25% of a bumper 2,000,000 bu. crop was still on trees in the Annapolis Valley when October frost and severe storms struck the area.

Probable loss: $750,000.

Some growers lost as much as 35% of their fruit and the question now is: Can the industry meet market demands?

Until the weatherman struck his double blow, export prospects had been bright.

A 500,000 bu. order for Holland and Sweden was being negotiated. Britain had ordered 20,000 bu. of Russets, New Zealand had taken 2,000 bu. of Cortlands and 22,000 bu. of Macintosh.

It was expected that by mid-December West Germany would be open to exports.

Following the early frost, a number of growers were prepared to salvage their crops for canning through a slow thaw process. But the temperature rebounded quickly, resulting in spoilage.

Frozen apples, not damaged too severely, can be used for concentrate. Price: 2c bu.

Processing plants pay 37c bu. for windfalls, use them for apple juice.

Du Pont Plans Further Growth At Maitland

Du Pont of Canada will start a $400,000 expansion of facilities for production of nylon chemicals at its Maitland, Ont., works.

The program will bring the plant's production of these basic materials to the level required by company's Kingston, Ont., nylon plant, where a $600,000 expansion in textile yarn facilities has already been undertaken.

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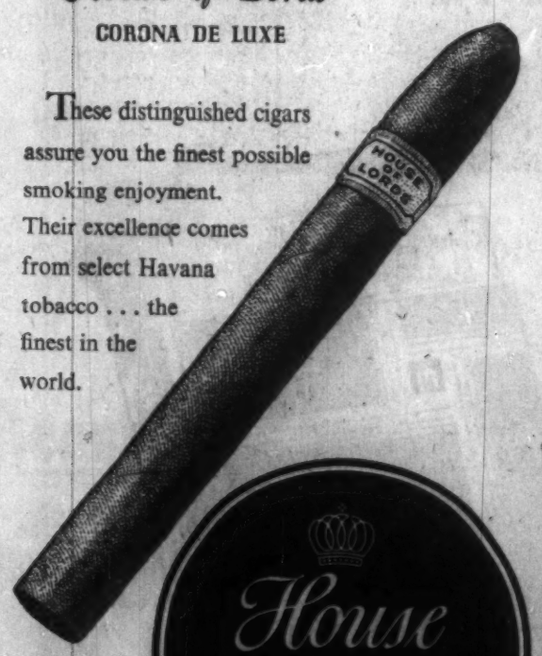

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ANNOUNCEMENT

J. E. BOUCHARD

L. J. Severson, President of Quebec Cartier Mining Company, is pleased to announce that Mr. J. E. Bouchard has been elected Treasurer of the Company.

Born in Fort Covington, N.Y., Mr. Bouchard is a graduate of McGill University with the degree of B.Com. He joined U.S. Steel Corporation in 1952, and worked in various capacities in the Accounting Department of one of its divisions before joining Quebec Cartier Mining in 1958.

Prior to his promotion, Mr. Bouchard was Assistant Treasurer of the Company.

ADD HARBOR TUG

A harbor tug will be added to the **Foundation Maritime Ltd.** fleet at Halifax. Expansion of the company's ocean-going salvage fleet is also being studied. It now operates three ocean salvage vessels, nine coastal and harbor tugs and auxiliary boats.

Here's Amazing Story Of Arborite's Growth

"One of Canada's quietest and quickest industrial expansions . . ."

By JACK McARTHUR

One of Canada's quietest and quickest industrial expansions has within a decade turned the name "Arborite" into a household word.

A little more than 10 years ago, the young **Arborite Co.** — subsidiary of fine paper producer **Howard Smith Paper Mills Ltd.** — moved into a new plant in Montreal.

Now, it's finishing an addition larger than the original plant.

Since Arborite is cautious about sales figures, an amazing story of plant expansion is its best growth yardstick.

Its plant area in suburban Montreal has grown from 54,800 sq. ft. in 1948 to 79,600 sq. ft. in 1950, 125,000 sq. ft. in 1951, 143,900 sq. ft. in 1955, 153,020 sq. ft. in 1957 and 214,188 sq. ft. with impending completion of the latest bout of button-bursting.

It's got so that new additions now have temporary outside walls, awaiting the next expansion.

The operation moved from a standing start in 1945 — when a small quantity of Arborite was produced at Cornwall by Howard Smith — to a brisk canter in 1948, the year after Arborite Co. was incorporated. At that time it had 95 employees.

Sales more than tripled from 1948 to 1954, doubled from 1954 to 1958. This year they are expected to maintain the recent annual growth rate of around 15%.

SELYAN

Meanwhile, the number of employees has risen to 390.

Energetic E. S. (Ed.) Selyan, vice-president and general manager, looks forward to fattening markets.

Favorable factors:

- **New developments in the design** and production of Arborite aimed at making it even more acceptable both in industrial and home uses.
- **Continued ability,** based on certain patents, to produce both cheaply and profitably. (It's often said in the investment world that Arborite profits are of much importance to Howard Smith's earnings.)

Arborite is a laminate, produced by pressing layers of resin-impregnated papers into a solid mass. It's used widely as wallboard and for table and counter tops.

Arborite's Horatio Alger story starts with a wartime shortage.

During World War II, phenolic resin — which was then used for all such laminates — became in short supply. Howard Smith was encouraged by the government to find a substitute —which it did.

Howard Smith researchers, noted in the pulp and paper industry for a number of other achievements, came up with an economical way to separate lignin from "waste" pulp-making liquor.

Protected by patents, lignin can be produced much more cheaply than phenolic resin, giving Arborite a hefty cost advantage over its competitors.

This has allowed the Montreal company to hold the price of laminates so low that they have become a common sight in the nation's kitchens, offices, institutions and even some factories.

For instance, the new **Imperial Tobacco Co. of Canada** plant in Guelph, Ont., has Arborite-lined walls in the manufacturing and packaging areas. Altogether: 70,000 sq. ft.

Arborite Co. estimates its prices are about 10% lower than they were 10 years ago. This stems from the basic economies in its process, additional improvements in efficiency and the saving in high-volume production.

Industry estimates are that Arborite has about two thirds of the Canadian market. It appears to be one of the top three major producers of laminates in the world.

Exports run to more than 10% of total output, with strong demand in such widely separated nations as the Union of South Africa, Venezuela, Malaya. Arborite has been able to withstand U. S. competition in export markets, and of course, has the British preferential advantage in the Commonwealth.

Expectations of sales growth aren't confined to overseas markets. In the U. S., Howard Smith owns 27% of **Consoweld Corp.,** a company formed to turn out products similar to Arborite.

ABBOTT

A new plant was built. Now additions have been approved, including a new press, resin plant and an extension to the plant.

In Canada, markets continue to widen quickly. Selyan sees wall applications as the biggest growth factor. "We licked linoleum and tile in the kitchen. Now we're tilting with tile in the bathroom," he says.

A new development with much sales potential is post-forming. This tricky technique allows fabricators to make Arborite "turn corners" smoothly, doing away with the problem of corners on counters and tables.

With current additions to the Montreal plant expected to add 40% to capacity, the men who run Arborite Co. can afford an optimistic glow.

The man at the top is Donald Stafford Abbott, president of Howard Smith and Arborite. He formed the original Howard Smith plastics division (1944) which later became Arborite Co.

Selyan, 44, has worked closely with Abbott in the 10 years since he joined the company as Ontario sales representative.

Together they have seen Arborite become a lusty, muscular mainstay of the Howard Smith organization.

They look forward to even more robust health for this war-born youngster.

Miles Traveled on Highways May Double in Next 10 Years

Traffic on Canada's highways and roads systems will more than double in the next 10 years.

By 1969, there will be a vehicle for every 2.7 people compared with 3.7 people in 1958. Total vehicle registration in 1969 will be more than eight million.

C. W. Gilchrist, managing director, Canadian Good Roads Association, told the Eastern Canada Association of Highway Officials in Fredericton last week:

- **Average number of miles driven,** per vehicle, per year, will increase from present 8,200 to 9,600.
- **Motor vehicle travel** in Canada will increase from the 36,800 million miles recorded last year to around 77,500 million miles in 1968.
- **If business conditions continue to progress** as they have in the past decade, 1969 bill for roads and streets will be around $1,900 million.
- **In the next 10 years,** nearly $15,000 million will be spent on roads and streets systems.

In the past year, provincial governments, through road-user taxes, collected about 1.27c for every vehicle-mile of travel in Canada.

If these tax rates stayed constant, revenues from road-users would amount to about $985 million in 1969.

This would amount to around 55% of the total road bill for that year.

During the next 10 years, these taxes, at current rates, would yield about $7,300 million or about half of the total anticipated expenditures.

General revenues of the municipal, provincial and federal governments could be called upon to supply about $7,400 million during the next 10 years.

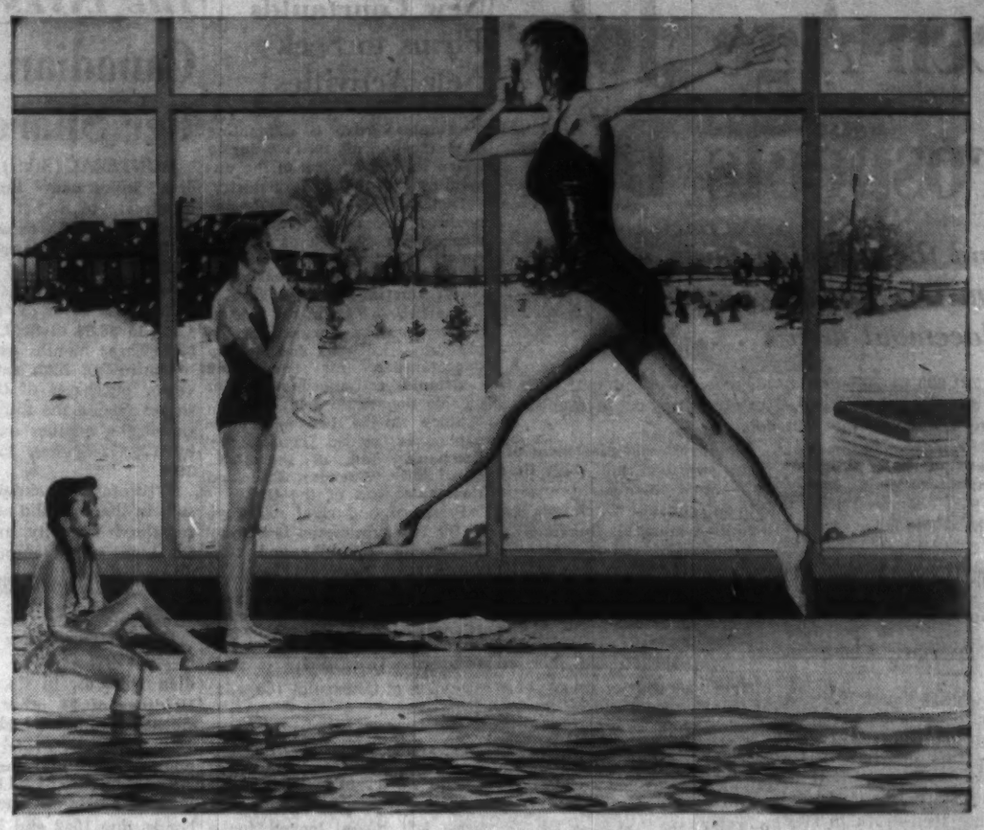
Only through adequate needs studies can we ascertain the correct share of expenditure of the levels of government, Gilchrist said.

He lauded the report recently produced by the Ontario Department of Highways on roads needs in the province as a milestone in the history of Canadian road-building.

It was the first comprehensive roads needs study ever published by any Canadian road-building agency.

NEW OFFICES

Charles Tennant & Co. (Canada) has opened new offices and warehouse containing over 18,000 sq. ft. of space at 34 Clayson Rd., Weston, Ont. Building will house company's head office staff, sales staff and purchasing department. Warehouse staffs and sales offices are also maintained in Montreal and Vancouver.



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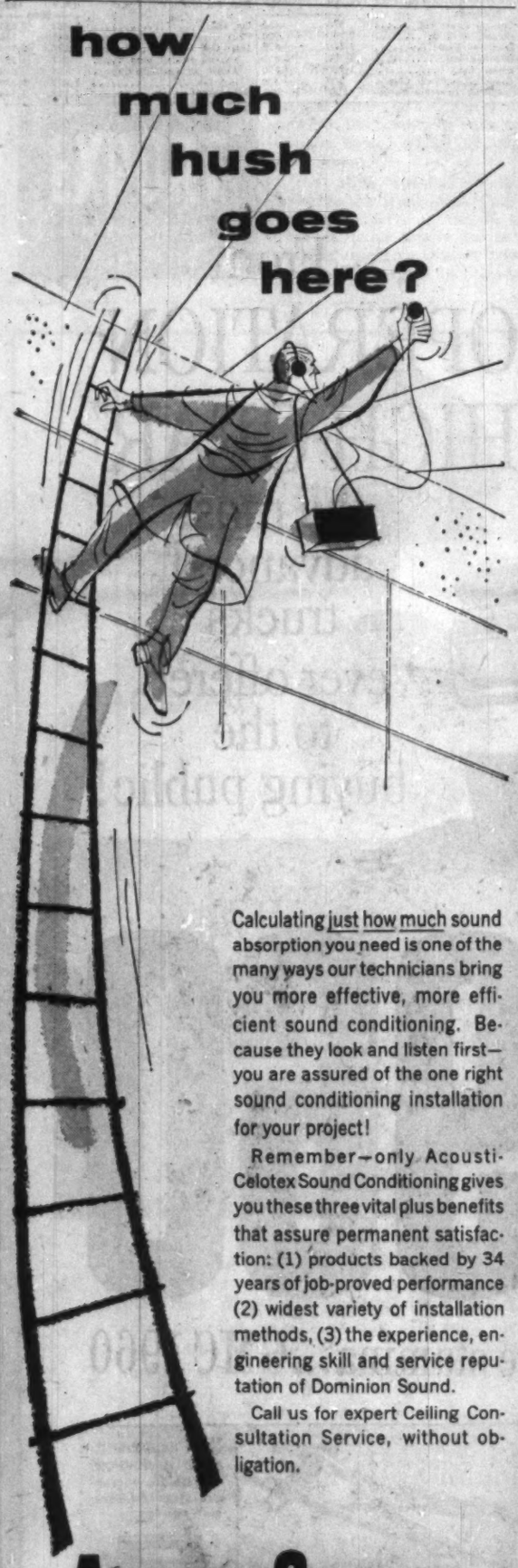

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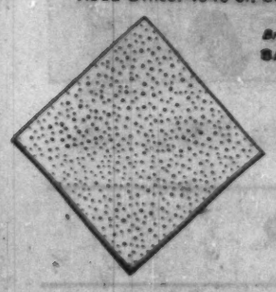

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Delta Air Lines, first in its industry to see the economic possibilities of xerography, in 1952, has added another $12,000 to an already impressive annual xerographic saving of $46,000.

Delta's DC-8 jet program got a real assist from the use of xerography in launching its Royal Jet Service between New York and Atlanta in September and to Chicago-Atlanta-Miami in October, with even more DC-8 service this fall to Detroit, Dallas, and New Orleans. Delta is spending 80 million dollars on its jetliner fleet of the famed Douglas DC-8's and Convair 880's.

The use of XeroX copying equipment in setting up Delta's DC-8 operations covered the reproduction of maintenance manuals, familiarization booklets, training courses, and engineering drawings.

Xerography is a clean, fast, dry, electrostatic process that copies onto ordinary paper, offset paper masters, or vellum intermediates for use in diazo-type machines.

At Delta, XeroX copying equipment is used mainly for the preparation of offset paper masters from which multiple copies are quickly run off on offset duplicators.

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Teen-Age Job Prospects Dim

And the situation poses a problem for our educators and our placement men . . .

Of the 231,000 Canadians last reported out of a job and looking for work, one in every four was a teen-ager.

The rate of unemployment among Canadians 14-19 years of age was 9%, compared with a rate for the whole labor force of 3.4%.

It's small wonder that the Minister of Labor has been making speeches urging teachers and parents to persuade young Canadians to stay in school.

It's obviously tough for the teen-ager to get a foot-hold in the job market, and lack of education (as the minister points out) makes it even tougher.

But there are three reasons why urging teen-agers to stay in school isn't likely to provide an answer to this job problem.

- **First,** the teen-agers are already staying in school much longer and in greater numbers than they were 10 years ago.

Since the fall of 1949 the late-teen population has increased by 21%; but the teen-age labor force has increased only 4.2% and the school population 14 years of age and over has increased 44.9%.

- **Second,** the high schools are beginning to be much choosier about the type of teen-ager they will allow to remain in school.

If he can't handle the program that happens to be available, out he goes, as soon as it is legally possible — and in some provinces school-leaving age is 14.

School authorities argue that a student who can't or won't do his school-work properly is better off getting out and getting a job.

Employers and placement officers say that they can't fit a half-baked untrained youngster into an economy which uses less unskilled labor all the time.

Either way, the teen-ager is out of luck.

Any tendency on the part of the citizen or tax-payer to say "serves him right" is restrained by the suspicion that not all high school courses make sense in today's world and by the reflection that, one way or another, the mis-fit teen-ager is apt to remain a public problem unless he's helped to find his feet.

- **Third,** the fact that job opportunities and high schools may exist at a great distance from one another in this country creates special problems.

Some of the students who leave high school too early in, say, rural Manitoba, may wind up in Toronto looking for work.

Is it realistic to expect Gypsumville, Man., to sustain a high school program that will equip graduates for work in Hamilton?

This isn't an academic question.

For decades now, the high schools and universities of the Prairies and the Maritimes have fed the factories and offices of central Canada and B.C., and rural schools everywhere have provided urban workers.

In short, whether we like it or not, the problem of holding students in high school and sending them out equipped to get along in modern Canada is a national problem.

Should we try to create rich and varied high school programs in every part of Canada, or should we try to make it easier for young Canadians (once they have left home, looked for a job, and discovered their handicap) to get back into the school stream?

We need to have some answers to these questions soon.

Next fall, the problem of the teen-age job-seeker will be even more acute than it is now.

This year, most of the young Canadians in the 14-19 age-group are in the younger half of the age-span, and therefore more likely to be in school than looking for a job.

That's one reason for the 4% increase in the labor force and the 44% increase in students compared with 1949.

But each year, from now on, there will be more and more of our teen-agers in the job-seeking ages.

There isn't much time to find ways to assure ourselves that these teen-agers come on the job market with the necessary equipment to get and hold a job.

Here's a tabular look at the teen-ager, the high schools and the labor force:

Week ended Sept. 19, 1959:	Total (14 and over) (000)	Teen-Age (14-19) (000)	%	Early 20's (20-24) (000)	%
Population	11,609	1,316.8*		1,198.4	
Labor Force	6,291	395	9.5	787	12.3
With Jobs	6,078	542	8.9	754	12.4
Without, Seeking Work	213	53	24.9	33	15.5
Not in Labor Force	5,318	1,007	62.9	361	31.4
At School	894	....	...	....	...
Percent of Pop. in Labor Force	54.2	....	37.1	....	68.6
Percentage of Labor Force Without Jobs, Seeking Work	3.4	....	9.0	....	4.2
Week ended Oct. 29, 1949:					
Population	9,536	1,086.1*		1,118.4	
Labor Force	5,156	571	11.7	732	14.2
With jobs	5,010	536	10.7	707	14.1
Without, Seeking Work	146	35	24.0	25	17.1
Not in Labor Force	4,380	695	54.9	345	32.0
At School	617	....	...	....	...
Percent of pop. in Labor Force	54.1	....	45.1	....	68.0
Percent of Labor Force With-Jobs, Seeking Work	2.8	....	6.1	....	3.5

In the 10 years:

- **The population 14 years and over has increased 21.7%**
- **The population age 15-19 has increased 21.1%**
- **The labor force 14 years and over has increased 22.0%**
- **The labor force age 14-19 has increased 4.2%**
- **The school population 14 years and over has increased 44.9%**

*Population figures cover 15-19 group. All others are 14-19.
Source: DBS Labor Force Survey.

New Courtaulds Firms to Seek New Activities

MONTREAL (Staff) — The Courtaulds group is redoubling diversification efforts in order to lessen its dependence on the uncertainties of the textile industry.

Last week Courtaulds announced formation of two new companies: **Courtaulds North America Ltd.**, Montreal, and a sister organization, **Courtaulds North America Inc.**, New York.

The two — cast in the role of developmental companies for the present — will seek and develop opportunities for expanding Courtaulds' activities in industries outside the textile field.

Stock in the two new companies is owned equally by **Courtaulds Ltd.** of the U.K., **Courtaulds (Canada) Ltd.** and **Courtaulds Inc.** of the U.S.

President and chief executive of the two subsidiaries is Stanley F. Wagdin, treasurer and vice-president of Courtaulds Inc.

Dr. J. Gordon Davoud and C. M. Brock, directors of Courtaulds (Canada) Ltd., have been elected directors of the two new subsidiaries. Dr. Davoud is vice-president of Courtaulds (Canada) Ltd.

THE INVESTMENT FUNDS

Canadian Investment Fund Per Share Assets Off 4.3%

MONTREAL (Staff) — **Canadian Investment Fund Ltd.**, Montreal, total net assets at Sept. 30, 1959, amounted to $120,779,997, a decrease of 3.1% from $124,676,882 at June 30, 1959.

Net asset value per share fell 4.3% to $8.84 at Sept. 30 from $9.24 three months earlier.

Continuing high rate of investor purchases of the fund's shares during the third quarter raised the number outstanding by 176,472 shares, to 13,664,326.

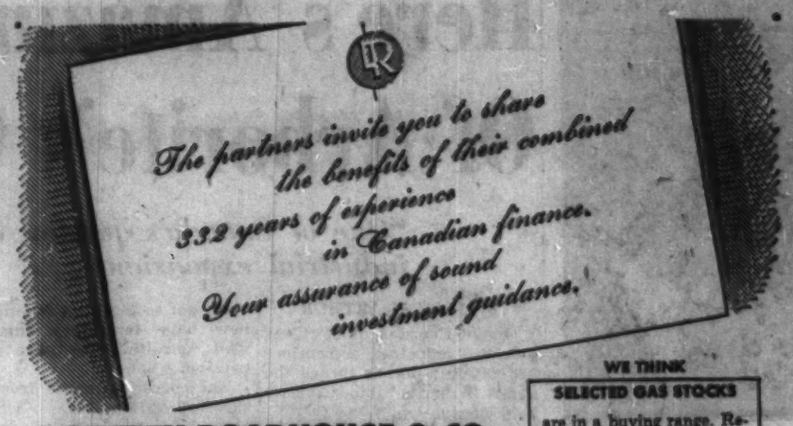
Percentage breakdown of issues in the portfolio at Sept. 30 remained virtually unchanged. Common stocks accounted for 75.5% of total net assets; preferred stocks 3.4%; bonds 18.9%, and cash 2.2%.

During the quarter the fund added common stock of **Canadian Oil Cos.** to its portfolio. Holdings of 24 other common stocks were increased and six were reduced. Preferred stock holdings were unchanged.

The fund purchased $3 million in Government of Canada, 5½% bonds, due 1962 and liquidated its U. S. Treasury notes. The 5¾% **Industrial Acceptance** bonds, due 1977, were sold ex-warrants, the fund retaining the warrants to purchase 7,500 shares.

Here are the portfolio changes for the third quarter in detail:

	Shares held at Sept. 30/59	Change since June 30/59
Bonds:	$	$
Govt. of C. 5½%/62	3,000,000	+3,000,000
Ind. Accept. 5¾%/77	....	—300,000
U.S. Treasury Notes	....	—1,500,000
Common:	—shares—	
General Motors Corp.	40,000	—3,000
Bank of Montreal	31,500	+2,500
Bank of Nova Scotia	13,500	—1,825
Can. Bank of Commerce	29,100	+1,100
Royal Bank of Canada	25,500	+1,000
Toronto-Dominion Bank	18,675	+675
Hudson Bay M. & S.	43,500	+1,000
International Nickel	51,600	+600
Noranda Mines	48,600	+1,600
Canada Cement Co.	18,100	+3,600
Du Pont of Canada	9,700	+700
E. I. du Pont de Nemours	3,500	—500
Canada Packers	18,800	+500
John Labatt	3,800	+1,200
George Weston A	14,500	+500
Do. B	22,625	+625
Hollinger Consol. G.M.	10,000	+1,500
Kerr Addison G.M.	26,300	+1,700
Atlas Steels	7,000	+2,000
Steel Co. of Canada	56,200	+1,700
Price Bros.	47,500	+1,000
B.A. Oil	66,700	+1,700
Cdn. Oil Cos.	1,300	+1,300
Imperial Oil Co.	55,000	+2,000
Interprov. Pipe Line	34,825	+2,825
Texaco Inc.	7,000	+1,000
Shawinigan Water & Power	115,425	+425
Loblaw Co. A	10,500	+500
Do. B	43,375	+375
Dominion Glass	10,000	—300
Moore Corp.	49,400	+1,400



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North American Fund Share Value Drops by 7%

North American Fund of Canada Ltd., Toronto, net assets of $7,140,669 at Sept. 30, 1959 were 6.0% lower than June 30's $7,598,363.

Net asset value per share was $8.47, a drop of 6.8% from $9.09 at mid-year.

During the quarter, the fund purchased 5½% convertible debentures, due 1979 of **Simpsons Ltd.** and common stock of **Great Lakes Power Corp.** Holdings of five other common stocks were increased including **Donohue Bros.** and **Consolidated Mining & Smelting.** Common stock holdings of **Calgary Power Ltd.** were reduced.

Here are the portfolio changes for the quarter in detail:

	Holdings as at Sept. 30/59	Change since June 30/59
Debentures:	$	$
Simpsons Ltd. 5½%, 1979	100,000	+100,000
Common:	—shares—	
Calgary Power Ltd.	575	—450
Consol. M. & S.	3,700	+1,000
Dominion Stores	1,600	+525
Donohue Bros.	3,200	+2,000
Fraser Cos.	1,700	+170
Great Lakes Power Corp.	500	+500
Lower St. Lawrence Power	550	+300

DESK CALCULATOR

Diehl Calculating Machines of Canada Ltd., Montreal, has a new desk calculator that, the firm says, introduces a unique method of automatic multiplication which speeds up the rate of figure production.

Saguenay Power Profit Rises 4%

MONTREAL (Staff) — Consolidated net profit of **Saguenay Power Co.** in the first nine months was $1,192,924 or 4.1% higher than $1,146,298 in corresponding 1958.

Almost all company's common stock is owned by **Aluminium Ltd.**

First nine months:	1959	1958
	—$000—	
Op. rev.	9,453	9,353
Plus: Other inc.	441	166
Less: Op. exp.	6,127	5,994
Int. on funded debt	531	529
Amort. of contracts	614	614
Inc. tax	1,409	1,379
Net profit	1,193	1,146

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He Says Give Industries Same Tax Deals as Mines

GODERICH, Ont. (Staff) — A suggestion that manufacturing industries opening new plants be given the same tax concessions as new mines was made this week by W. N. Hall, president of **Dominion Tar & Chemical Co.**

Speculating on the number of new chemical process and other plants that would have been built in Canada in recent years if they had been allowed the three-year tax-free period granted to new mines, he added:

"I venture to guess that there would have been enough to have materially alleviated the unemployment problem of the last few winters."

This week, a new rock salt mine of **Sifto Salt Ltd.**, a subsidiary of Dominion Tar, was opened here.

The mine will ultimately produce 550 tons of rock salt per hour—enough to salt approximately 2,750 mi. of highway in one application — through the first shaft.

W. R. Lawson, vice-president and general manager of Sifto, says the mine eliminates the need for imports of rock salt from the U. S. and, in fact, offers certain limited opportunities for export.

Sifto produces and markets over 500,000 tons of salt annually. Packaged household table salt makes up 3.5% of total output, 7.5% goes to farms, 15% to food processors, 28% to the chemical industry, 30% for ice control and 16% for other industrial users.

Sifto has four brine evaporating plants at Goderich, Sarnia, Amherst, N.S., and Unity, Sask.

The picture conjured up by the expression "back to the salt mines" is a far cry from the conditions in this new mine.

Its underground workings have an average temperature of 70 deg. and relative humidity of 50%, making working conditions safe and healthy both in winter and summer.

Mining will be by room and pillar method. After crushing underground, the blocks of salt are screened to desired dimensions and then hoisted to the surface.

Large overhead concrete bins with a capacity of 2,000 tons are provided for loading salt directly into trucks and rail cars.

A storage building with 10,000-ton capacity adjoins the main mine building. Salt from there can be loaded directly into freighters at the rate of 1,000 tons per hour.

(The mine site is on a promontory of reclaimed land adjacent to Goderich harbor).

Provision has been made for shipment of salt in multiwall paper bags as well as in bulk. There are storage facilities for the considerable amount of salt needed in the winter months for ice control.

HOUSING UNITS

Central Mortgage & Housing Corp., has awarded an $838,369 contract to **G. Barker Construction Ltd.**, Weston, Ont., for construction of 100 housing units in the Allan Rush Gardens federal-provincial project at London, Ont. Work is scheduled to be completed in October, 1960.

ANNOUNCEMENT

W. R. PORTER

Appointment of W. R. Porter as General Manager of Alberta Distillers, Limited is announced by George H. Reifel, President.

Prior to joining Alberta Distillers Limited, Mr. Porter was associated with Lucky Lager Breweries (B.C.) Ltd. as a Director and Vice President in charge of Operations.

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U. S. 'Security' And Our Trade

Here's a look at that tricky amendment in U. S. trade legislation . . .

From Our Own Correspondent

WASHINGTON — Here's what happens when the U. S. Congress slips an innocuous sounding amendment into trade legislation:

Back in 1955, Congress said if the security of the U. S. were impaired by certain imports coming in in large quantities, those imports should be restricted.

Sounds logical and sound enough as a principle. But in practice, it has caused no end of headaches for Canada and other nations.

The key question:

When is security impaired by imports?

Too many U. S. industries seem to think the first hint of competition from imports is a sign to "head for the barricades."

Fortunately for exporters in Canada and other countries, the "innocuous" amendment gave the White House final say.

Thus, although threatened several times and living in doubt much of the time, only once has Canada been stung by this amendment.

That sting was bad enough, however, for it cut back Canadian oil exports to the U. S. This restriction finally was eased after intensive Ottawa pressure on Washington induced an exemption for Canada from the general import curb.

But this "national security" loophole in U. S. trade legislation shows clearly why it is of such importance for Canada to keep a very close eye on any proposed tinkering with U. S. trade laws.

In the early Spring of 1955, Congress was considering renewal of the Reciprocal Trade Agreements Act, the piece of trade legislation that underwrites all U. S. multilateral negotiations.

At the time there were the usual number of protectionist commodity amendments proposed by various Congressmen affecting oil, hardboard, lead and zinc, etc.

The administration argued against these amendments but, fearing a possible defeat for the whole trade program, privately passed the word that it would be willing to accept an over-all amendment which did not name a specific commodity.

After much wrangling behind the closed doors of the Senate Finance Committee, the late Colorado Republican Senator Eugene Milliken came up with the compromise:

"Keep out imports which would harm the national security of the country."

The language of the amendment was sufficiently vague to satisfy the administration, while the protectionists were pleased because it provided still another escape hatch in U. S. trade legislation.

As it has turned out over the last four years, the amendment has not offered much added protection and thus has displeased the protectionists, but it also has made the "freer traders" unhappy because it involves such time-consuming investigations that keep exporters and importers dangling for years.

The trouble with this amendment is not so much that it has hurt other countries (although it has hurt in some cases as for instance the oil restrictions), but that foreign exporters to the U. S. market are never sure when the axe may fall and are in constant jeopardy.

In the last four years, 20 cases have come before the Office of Civilian and Defense Mobilization which is the operating agency for this "national security" loophole.

They range all the way from material used on the end of a dentist's drill to wooden boats and chemists scales.

In fact, almost every industry, facing import competition, wraps itself in the U. S. flag and proclaims that it is vital to the national security of the U. S.

While many proclaim this, only a score have been willing to put it to a test before the OCDM.

Of the 20 cases considered: Six still are being investigated, six were denied, five postponed indefinitely, two withdrawn and only one approved. The one approval was for restrictions on oil imports. Canada was hit hard on this, but was later given a special exemption.

Canadian export business in hydraulic turbines, fluorspar and cobalt was threatened for some time, but the requests for import restrictions finally were denied.

Of the current Canadian export business facing danger from the "national security" loophole, only tungsten and steam turbine generators amount to much, and, in fact, they are relatively insignificant in the present export picture.

It is the principle, however, which is important for Canada and thus a denial of import restrictions on these commodities is urgently hoped for by Canadian authorities.

- **Other current cases:** Dental burrs, wool knit gloves, surplus military rifles and semi-conductor products.
- **Cases previously denied** more import protection: Cobalt, hydraulic turbines, fluorspar, cordage, wool textiles and jewelled and pin lever watches.
- **Cases postponed:** Analytical balances, wooden boats, thermometers, fine mesh wire cloth and wool felt.
- **Two cases withdrawn:** Photographic shutters and stencil ink.

Tankoos Buys Building, Lot In Calgary

Tankoos Yarmon Ltd., Toronto, has purchased the Derrick building in Calgary and a downtown office building plot covering 17,500 sq. ft. Cost: $600,000.

The Derrick building was formerly owned by **Derrick Building Ltd.** Tenants are: **Great Plains Development Co. of Canada; Dome Exploration (Western) Ltd.; Petcal Co.**, and **Dominion Tar & Chemical Ltd.**

The plot is at the southeast corner of 5th Ave., and 3rd St. It will be leased for use as a parking lot, pending plans for a major development.

Tankoos Yarmon recently bought the Anglo-American building in Calgary.

The company has now invested a total of over $130 million in properties from coast to coast in Canada, much of it in lease-back transactions.

Aubrey M. Edwards Ltd., Calgary broker, handled the Derrick building transaction and **Cote & Hunt Ltd.**, Calgary, was broker for the other purchase.

Exports Flow Via B. C. Ports

Exports through British Columbia ports for the four months ended April, 1959 (with comparable 1958 figures in brackets), show this picture:

Agricultural and farm products: $122,125,708 (against $116,914,675).

Fish and fishery products: $13,685,890 ($6,329,911).

Wood, wood products and paper: $104,683,016 ($76,309,497).

Iron and its products: $3,998,169 ($2,828,392).

Non-ferrous metals and products: $32,045,009 ($26,818,370).

Non-metallic minerals: $17,809,214 ($25,422,133).

Chemical and allied products: $16,853,270 ($15,369,565).

Miscellaneous commodities: $1,723,763 ($2,194,834).

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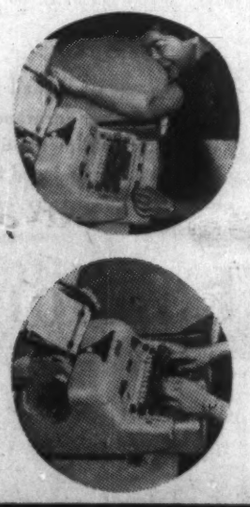

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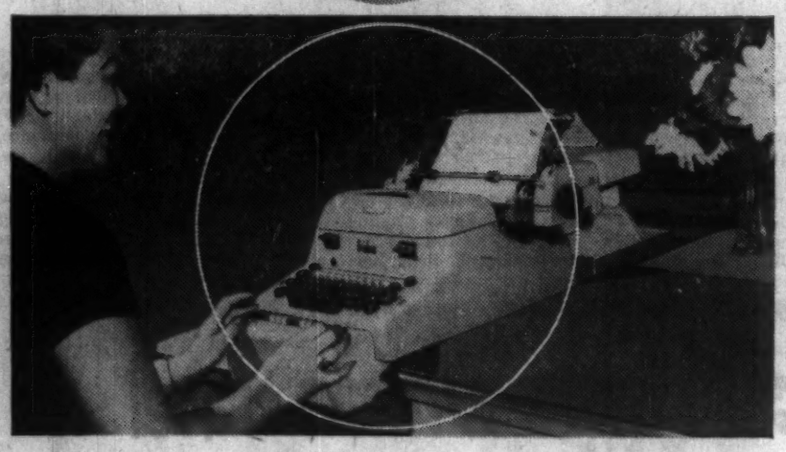

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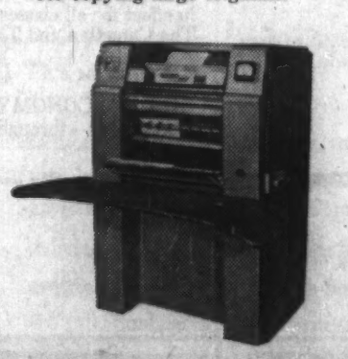

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Little Profit In Outer Space For Canada

Canadian industry will get only a small share of space-age business.

This is the view of Dr. Philip Lapp, president of the Canadian Astronautical Society and on the staff of the **de Havilland Aircraft of Canada Ltd. guided missile division.**

How much industry shares will depend on the ingenuity and resourcefulness of its engineers and scientists, and the willingness of management to gamble and invest in company-sponsored research and development, he said.

Dr. Lapp was speaking in a panel discussion on "Canada's Technical Role in the Space Age" during a symposium at the University of Toronto's Institute of Aerophysics.

"It has been made fairly clear that within the next decade or more, Canada cannot afford to undertake any large astronautic mission," he said.

"Canadian industry must then look beyond its borders.

"On the other hand, it is inconceivable that another country would let a prime contract outside of its borders.

"As a result, Canadian industry must be content to play a secondary role in the specialized support field.

Companies providing specialized equipment for the prime contractors responsible for the over-all design, development, production and execution of an astronautic mission are extremely numerous and competitive.

"The companies that will succeed are those that can produce a superior product most efficiently.

"I believe," Dr. Lapp said, "that the main role Canadian industry will play in the over-all astronautic scene will be in the provision of highly specialized and novel components and hardware inspired by small teams of top scientists and engineers spread rather thinly through the pertinent industries.

"For some time to come, this will never be a large activity within Canadian industry."

Expansion of industrial research and development in Canada is essential, Dr. Lapp said.

"After adjustment for size in terms of economic output, the industrial research and development expenditures in Canada are less than one third those of the U. S. and less than half those of the U. K."

Industry will have to underwrite the expansion of R & D or stagnate, he said.

Dr. J. J. Green, chief superintendent of the Canadian Armaments Research and Development Establishment, Valcartier, Que., told the institute that a worthwhile objective for Canada in the space age would be scientific research work directed specifically toward the region of near space, to a height of about one earth's diameter.

"The experiments which would need to be conducted would in most cases be extensions of existing research programs, some of quite long standing."

"The earth's magnetic field, the nature of the upper atmosphere, the characteristics of the ionosphere, the meteorology of our country, the nature of cosmic rays and their origin, the behavior of materials in space, the phenomena associated with high speed re-entry into the atmosphere and the biological aspects of crossing the space threshold are typical fields of interest," Dr. Green said.

Dr. Green had a second proposal for Canada's technical role in the space age:

Provision of research support to the U. S.

"If the quality of our work is maintained or improved we might shoulder some of the heavy load of basic research which will be needed to back up the vast development programs which at this time are only dimly foreseen as a requirement."

This technical role, Dr. Green said, envisages a major effort in research without any particularly large scale involvement of our industry.

Problems of development which are both urgent and of great magnitude for so numerically small a community take precedence over those of outer space, he said.

"In research we have an activity in which the results obtainable are less directly related to the size of the community but rather to its quality."

Other members of the panel: Dr. D. G. Field, chief scientist of Defence Research Board; Dr. J. C. Evvard of the U.S. National Aeronautics and Space Administration; Dr. H. S. Ribner of the Institute of Aerophysics and Dr. D. C. Rose of the National Research Council and chairman of the National Space Research Committee.

'Hopper Outlook: Fewer Next Year In Saskatchewan

Grasshopper trouble in Saskatchewan may be less serious in 1960 than this year.

University of Saskatchewan's College of Agriculture reports:

- **Main outlines** of area to be affected in 1960 are much the same as in 1959.
- **But level** of infestation within this area will likely be reduced.
- **There will be no "very severe"** infestation and the area involved in "severe" infestation will be smaller.

The college believes two factors kept 1959 infestation under control:

Early tillage of egg-infested stubble fields together with vigorous chemical control campaign.

Vancouver Salaries 4.7% Higher

Salaries and wage rates in the Vancouver area showed an average (unweighted) increase of 4.7% between July, 1958, and July, 1959, for 25 monthly rated occupations.

The annual salary and wage rate survey made by the B. C. Department of Industrial Development, Trade and Commerce shows:

- **Average increase** in salary and wage rates for 22 occupational categories over a five-year period was 22.7%.
- **The group of six hourly-rated worker categories** showed a higher year-to-year gain since July, 1958, than the monthly-rated group. Their average (unweighted) increase amounted to 6.3%.
- **Similarly, the over-all increase since 1955** was larger in this group. It was 24.9% on the average.

In the Victoria area:

Average increase in salary and wage rates for 19 monthly-rated occupational categories compared over five years with April, 1955, was 20.6%, slightly below that of Vancouver for the same period.

Annual average (unweighted) increase between July, 1958, and July, 1959, for this group was 3.9%.

Hourly-rated group also showed a higher percentage increase over the five-year period than the monthly-rated group. Their average increase amounted to 25.2% which was slightly above the hourly-rated group in Vancouver for the same period.

Year-to-year gains showed an annual average (unweighted) increase of 8% between July, 1958, and July, 1959, which again exceeded Vancouver for the comparable period.

Complete report will be published shortly and can be obtained from the Bureau of Economics and Statistics, Department of Industrial Development, Trade, and Commerce, Parliament Buildings, Victoria.

Next Year Question Mark In Housing

Next year may pose the big question mark for home building in Canada, John Caulfield Smith, executive director, National House Builders Association, told a meeting of the Greater Windsor Home Builders Association in Windsor.

Housing production under the National Housing Act might dip sharply if the interest rate on NHA loans remains as uncompetitive with the yields of other investments as it is at present.

"The situation is not unlike that which prevailed until recently in the U. S.," he said. "However, the U. S. government has seen fit to raise the rate of federal housing loans by ½ of 1%."

Canadian government, said Smith, appears to have no intention of increasing the present NHA rate of 6%.

It may be that Ottawa's plan is to expand its direct lending program for residential construction, he said, thus bypassing approved lenders such as banks and life insurance companies.

Canadian universities should include home building in their curricula, Smith suggested.

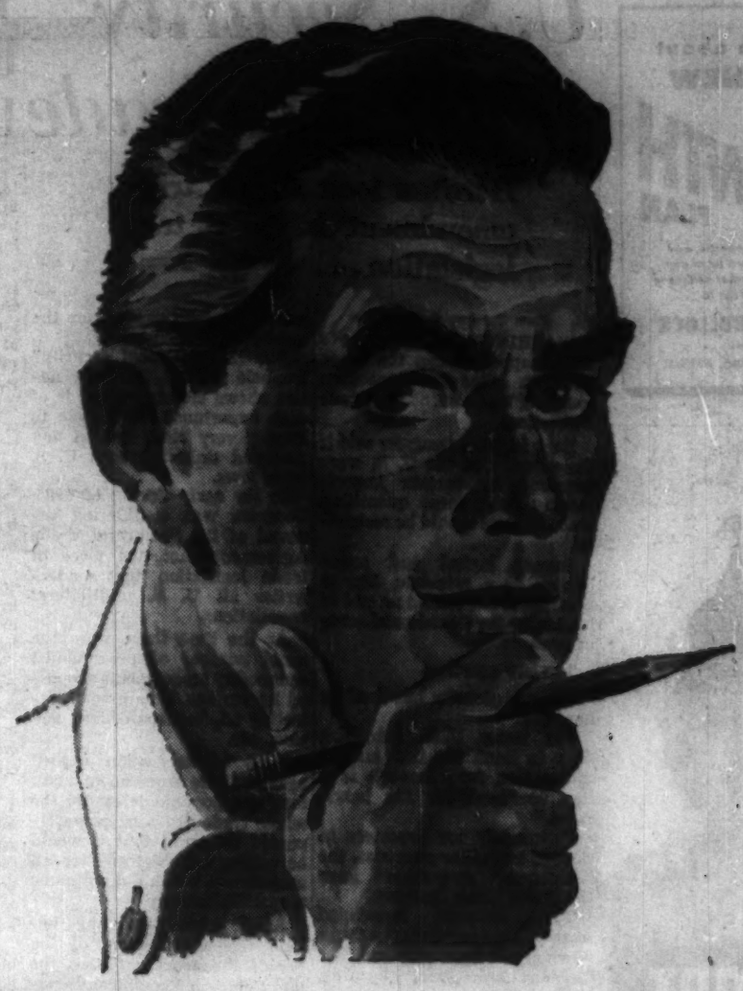
Realtors have set a precedent with establishment of professorships in real estate at several Canadian universities and home builders should follow their example.

Better training facilities to develop a continuous flow of top flight managerial talent into the home building industry was needed, Smith said.

Many builders come up through the ranks of carpenters and masons and lack the benefit of business training.

The builder today, Smith warned, must know all about land development, subdivision, architectural design, law, accounting, sales and other subjects besides acquaintance with construction materials, methods and organization.

He suggested that Windsor's Assumption University might be the first to cover all aspects of home building in its curriculum.



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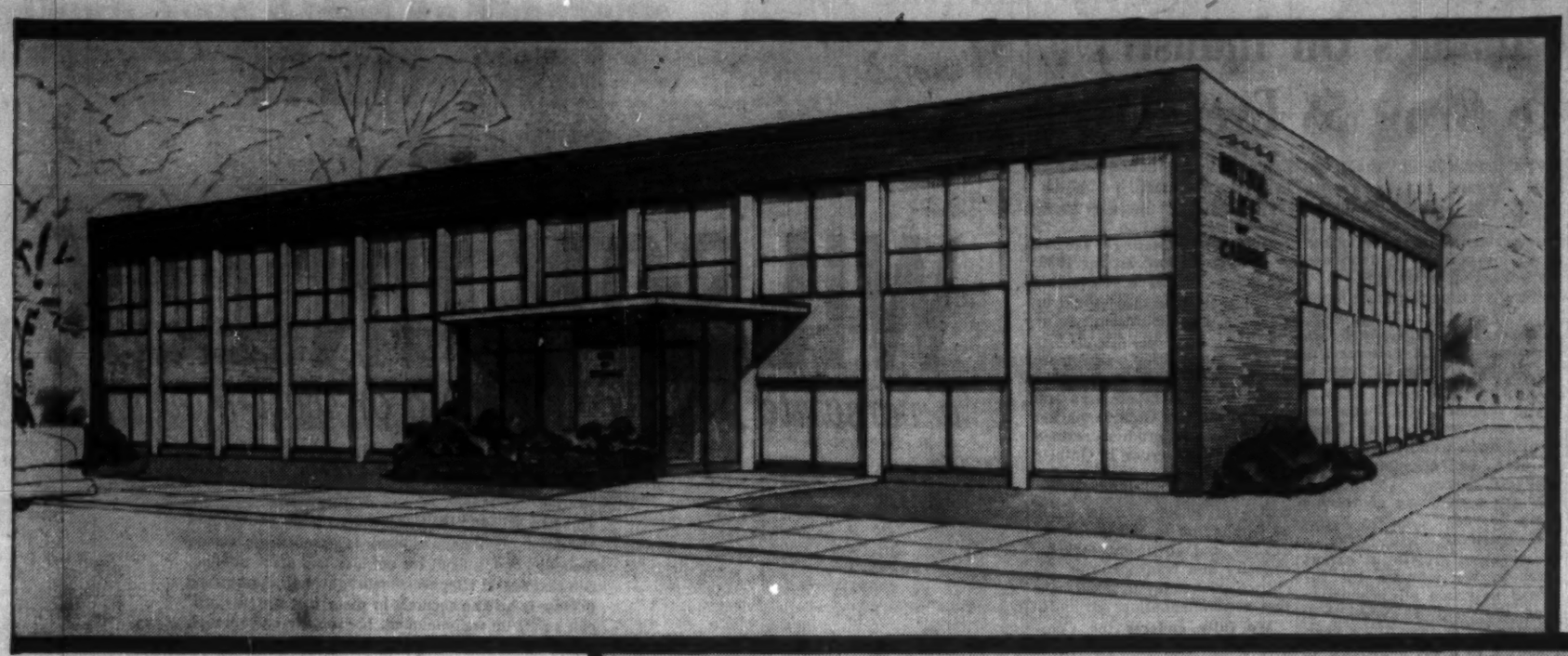

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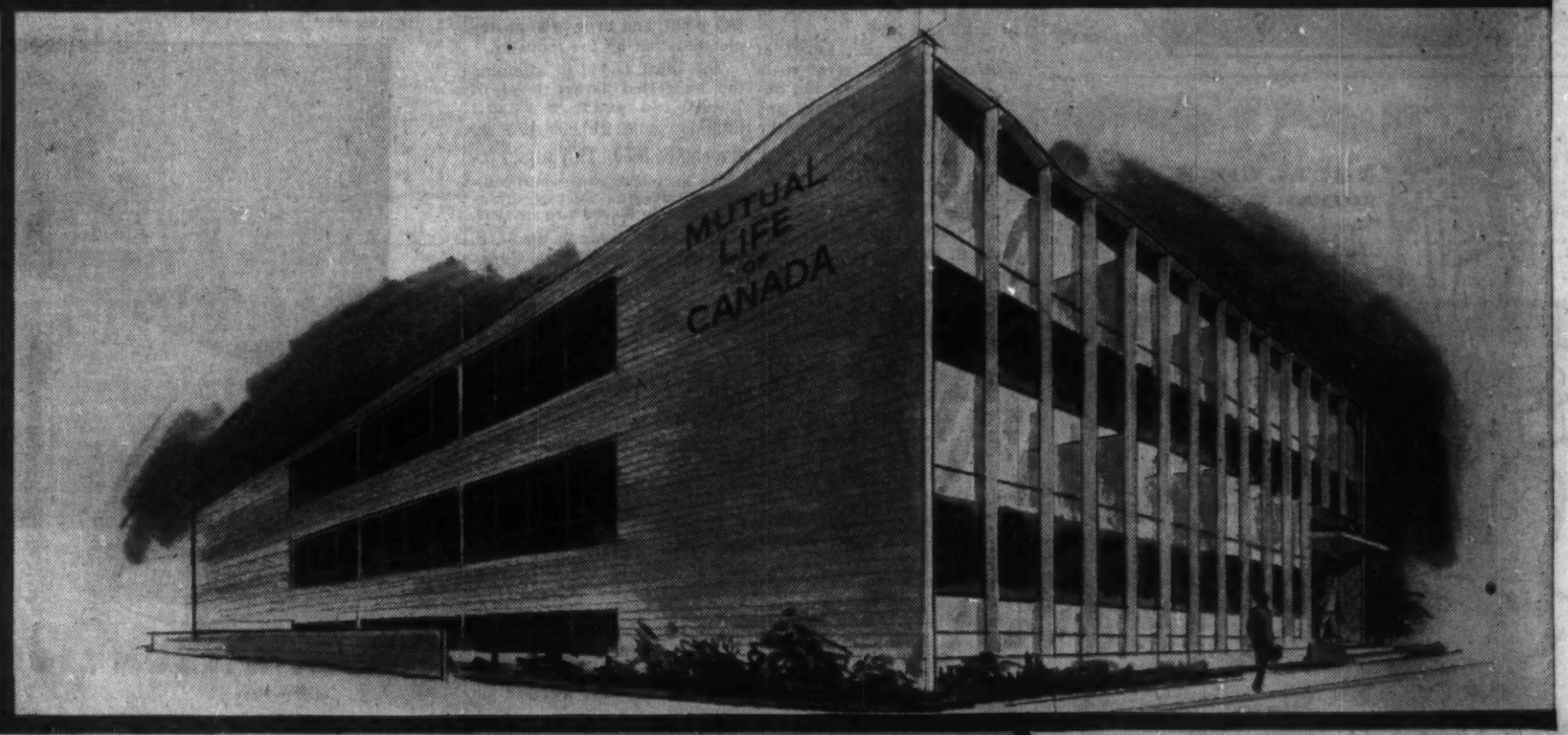
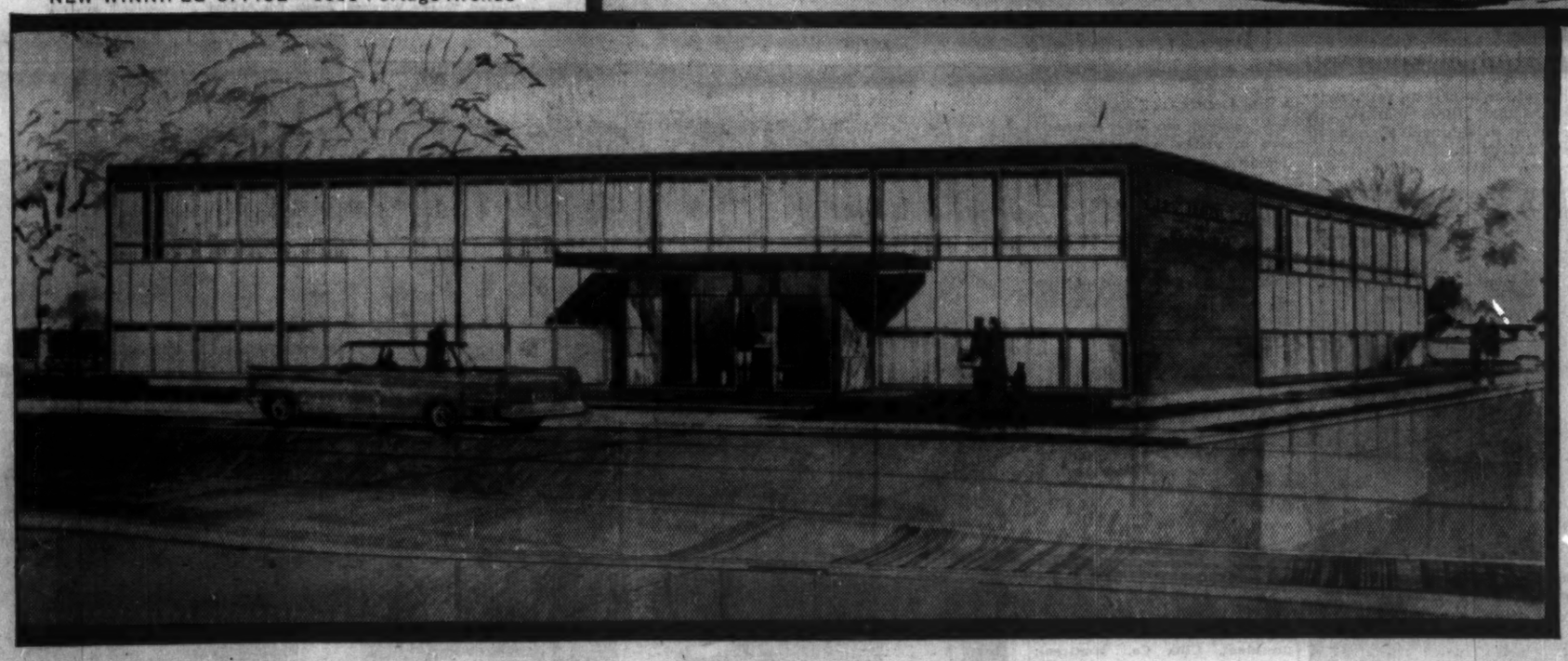


Below:
NEW WINNIPEG OFFICE—1111 Portage Avenue



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VANCOUVER: MU. 1-8321
MONTREAL: VI. 2-7777 or UN. 6-4571

B-A'S BROCKETT SAYS:

Canada's Oil Industry To Grow 5% Every Year

Few industries in Canada can look forward to the growth potential of the oil industry.

This is a fact that some investors seem to have overlooked in recent periods of depressed market action in the oils.

Here is a digest of main highlights of a recent address of E. D. Brockett, president of British American Oil Co. *delivered to the Empire Club of Canada:*

* * *

The industry in Canada can look forward to a long-term growth trend of about 5% a year in consumption of products.

That's a doubling of volume every 15 years.

Furthermore, with even a conservative growth in export markets, we estimate the increase in crude oil production over the next 10 years will average better than 7% a year, resulting in a 100% increase in production by 1969.

Another important aspect of industry growth in recent years has been the discovery and development of large-scale reserves of natural gas and the construction of major trunk pipelines to transport this gas to market.

Certainly the utilization of these reserves in Canada and the U. S. must be dramatically increased in the very near future.

Few industries in Canada can look forward to comparable growth, a fact that some investors may have overlooked in recent months.

While the export target of 210,000 bbl. daily (recommended by Borden report) may not be achieved by 1960, we feel the industry must recognize the established objectives and move promptly and vigorously toward these goals.

We do not believe that a moderate delay in reaching this level would have any material effect on the future development of the industry or call for drastic action on the part of the Canadian government to increase domestic markets for our oil.

We feel that undue emphasis has been put on the responsibility of the integrated refiners for expanding these markets. In fact, it should involve maximum efforts on the part of all companies with production interests in Western Canada.

In domestic markets now served by Canadian crude, a requirement totaling 440,000 b/d has been forecast for 1960. We agree this is a reasonable estimate and one that should be achieved without difficulty.

Second, the commission has recommended that petroleum products refined from imported crude in the Montreal area and shipped into the Ontario market be displaced by products refined from Canadian crude in Ontario refineries.

This would permit an increase of 50,000 b/d in crude oil production in Western Canada — and sufficient refinery capacity and transportation facilities exist today to implement this recommendation.

We fully endorse the Commission's recommendations on this point, and urge prompt implementation by the industry.

The third factor in attaining the suggested target level of 700,000 b/d would be exports totaling some 210,000 b/d by the end of 1960. This would require an increase of some 120,000 b/d over the average of approximately 90,000 b/d in 1959.

The major areas in the U. S. presently supplied with Canadian crude by pipeline are the Puget Sound and Minnesota-Wisconsin markets.

Exports to the three refineries in the Puget Sound area, having an aggregate capacity of 135,000 b/d, averaged about 36,000 b/d in 1958.

During 1959 they have fluctuated widely and will average approximately 32,000 b/d for the year. It is therefore not unreasonable to expect a substantial increase in movements to this area.

Exports of our crude to the Midwest should average over 60,000 b/d this year. Any major increase in this very promising market will depend for the most part on normal increase in demand.

The other major refining centre in the U. S. which provides a potentially attractive early market for Canadian crude is the Detroit-Toledo area.

At present, our oil is competitive in prices with the U. S. domestic crude in this area, and — with certain modifications in existing pipeline facilities — Canadian crude could be delivered by pipeline.

We feel there is an excellent opportunity to capture a portion of this large and growing market.

Pharmaceutical Officers Elected

Special Correspondence

MONTEBELLO, Que.—Officers of Canadian Pharmaceutical Manufacturers Association for the 1959-61 term:

President, H. J. Brown, president, **Burroughs Wellcome & Co. (Canada)**, Montreal; immediate past president, Gordon Gray, president, **John Wyeth & Brother (Canada)**, Windsor, Ont.; vice-president, Roger Larose, vice-president, **Ciba Co.**, Montreal; general manager, Stanley N. Oconder, Toronto.

Directors: Joel R. Brown Jr., manager, medical products department, **Cyanamid of Canada**, Montreal; Roger Charbonneau, president, **Anglo-French Drug Co.**, Montreal; J. S. Fralich, vice-president and managing director, **Hoffman - La Roche Ltd.**, Montreal; Eliot Frosst, president, **Charles E. Frosst & Co.**, Montreal; Gordon E. Graham, controller, **Sandos Pharmaceuticals**, Montreal; W. A. Leslie, chairman of the board, **Ayerst, McKenna & Harrison Ltd.**, Montreal; Donald MacLaren, managing director, **Glaxo - Allenbury's (Canada)**, Toronto; A. C. McKim, president, **Merck & Co.**, Montreal; David L. Menzies, president, **Mead Johnson of Canada**, Toronto; Ralph B. Thompson, president, **Pitman-Moore of Canada**, Toronto; E. B. Walker Jr., vice-president and general manager, **Ortho Pharmaceuticals (Canada)**, Toronto.

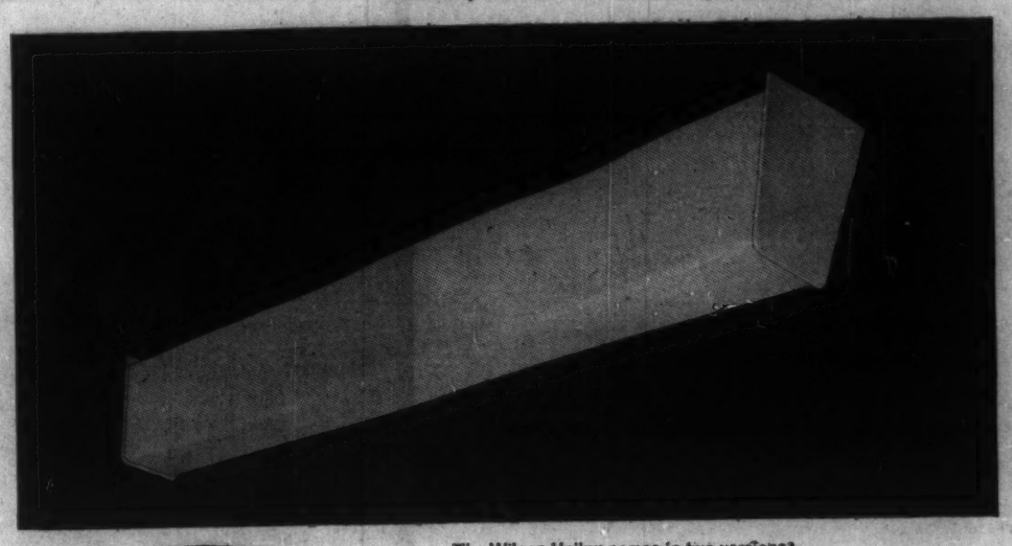
HOUSING PROJECT

A $4,579,794 contract for construction of 348 dwelling units in the Mulgrave Park project, Halifax, has been awarded to **Eastern Woodworkers Ltd.**, New Glasgow, N.S. Housing project will be constructed by federal and provincial governments with the federal government paying 75% of the costs and the provincial and municipal government sharing the other 25% equally. Project will contain two eight-story apartment blocks, one four-story walk-up and 19 three-story buildings containing apartments and maisonettes. **Leslie R. Fairn & Associates** and **J. Philip Dumaresq & Associates**, architectural firms, collaborated with Central Mortgage & Housing Corp., in the design.

THE NEW SLIM
WILSON UNILUX
a versatile fixture for ceiling or wall-mounting

Low brightness, glare-free lighting and smooth modern lines are the characteristics of this new general purpose lighting fixture.

This new Wilson "UNILUX" with its wrap-around, light stabilized polystyrene diffuser is excellent for ceiling mounting and is used for corridor and stack lighting. Die-cast socket straps eliminate light leaks. The plastic diffuser is held so securely in place that the "Unilux" can safely be wall-mounted, horizontally or vertically, which opens a new field of application possibilities.



The Wilson Unilux comes in two versions:
F120, 4 ft. single lamp rapid start.
F128, 8 ft. two-lamp rapid start. (in tandem)

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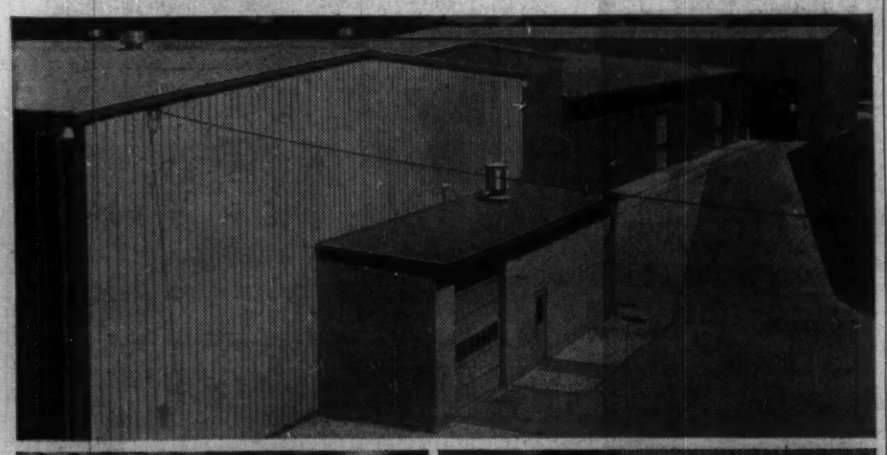
District Offices: Montreal, Toronto, Winnipeg *Agents:* Erle Ackland & Associates Limited, Vancouver, Edmonton, Calgary



Spacious, clear span interiors.

Beautiful new Butlerib panels.

New cover panels make
Butler factory buildings an even better buy!

Forget everything you've thought about metal factory buildings 'til you've seen one built the Butler way with new Butlerib™ panels. Never has the inherent strength of steel expressed itself so well.

The clear span interiors, up to 120 feet wide, let you use every cubic foot of space you paid for. Yet, Butler factory buildings have a low, modern 1-in-12 roof pitch . . . thanks to Butler Low Profile (LRF) rigid structural frames.

Most of all, new Butlerib steel panels present a new dimension in roof and wall design. Their unique deep-and-shallow corrugations develop the full potential of strength in steel. They look solid—and *are* solid, massive, enduring. Butlerib panels are big, too—3 feet wide, up to 32 feet long—and fewer laps mean a more weather-tight cover.

If you're planning industrial construction, get the full story on the Butler building system. For full details, contact your Butler Builder. Ask him about Butler financing, too. He's listed in the Yellow Pages under "Buildings" or "Steel Buildings." Or, write directly to address below.

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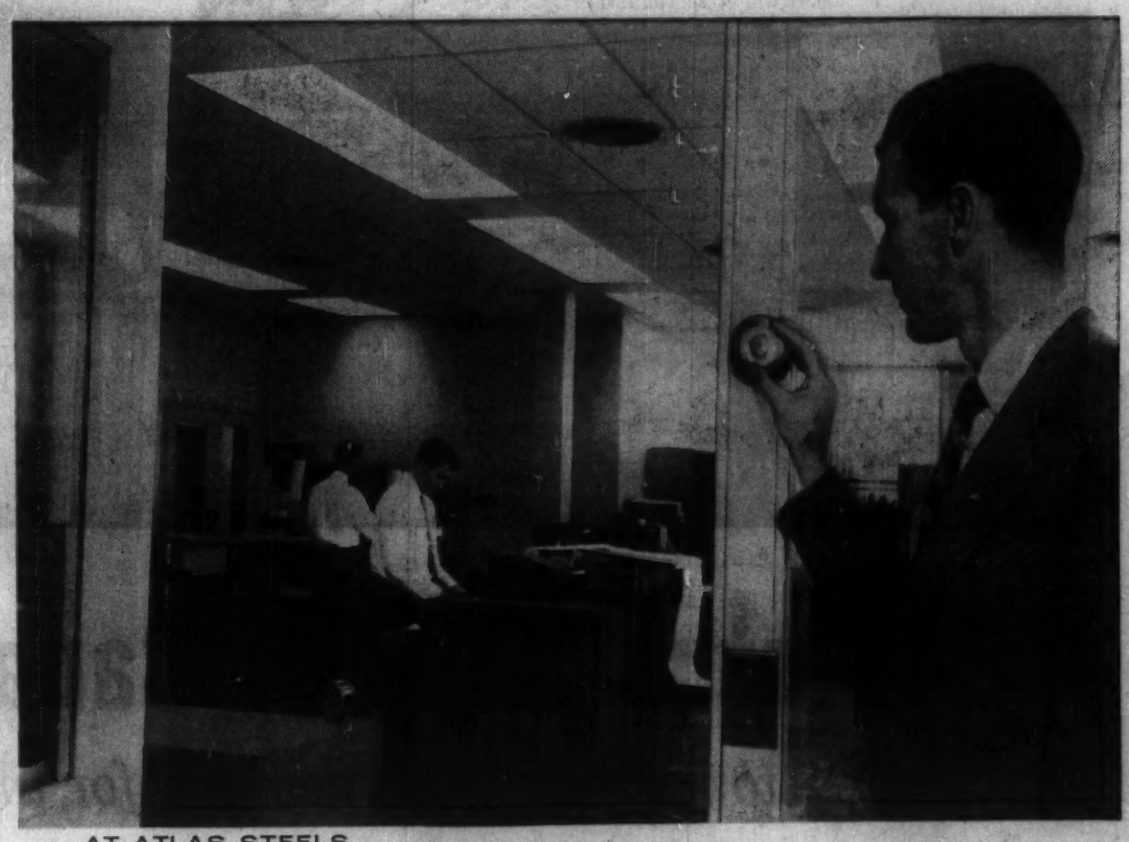


AT ATLAS STEELS

a private thermostat in each private office
assures personnel comfort and efficiency... fuel economy

In Atlas Steels' new Administration Building private offices and open areas are equipped with the Honeywell Round.

Atlas Steels' new Administration Building at Welland, Ont., is Canada's first all-stainless steel curtain-wall structure. Everything here is new and everything new is here, including individual office control of heat.

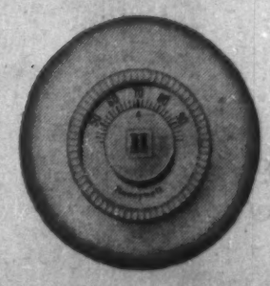
With a Honeywell Round in each private office and each open area, personnel will enjoy the correct temperature for maximum working efficiency and comfort.

Another plus value of individual office control is economy. It isn't necessary to over-heat or over-cool the whole building for the sake of a few people. And it eliminates the costly cooling or heating of unoccupied spaces. An eye-pleasing, wall-mounted Honeywell Round makes time-consuming adjustment of old-fashioned manual controls obsolete.

Why settle for less than full value for your heating and cooling dollars? When for only a tiny fraction of your total heating system investment each suite or private office can have its own individual Honeywell Round.

The Honeywell Round assures constant comfort economically. Installation is simple for any type of building.

In office buildings equipped with The Honeywell Round, employees can adjust the heat in their individual spaces or offices for working efficiency and maximum personal comfort. In reception areas, multi-desk areas and lounges, strategically placed Round Thermostats eliminate pockets of discomfort. Get complete information by calling your local Honeywell office or writing Head Office and Factory, Honeywell Controls Limited, Toronto 17, Ontario.



Honeywell
First in Control

Check Your Weight on This Table

Average weights for men in new study compared with the existing 30-year old standard currently used by doctors and insurers:

	Ages 30-39			Ages 40-49			Ages 50-59			Ages 60-69		
	New Study	Old Std.	Change	New Study	Old Std.	Change	New Study	Old Std.	Change	New Study	Old Std.	Change
5' 0"	131	128	+3	134	133	+1	136	135	+1	133	136	—3
2	137	132	+5	140	137	+3	142	139	+3	139	140	—1
4	145	138	+7	148	143	+5	149	145	+4	146	146	0
6	153	146	+7	156	151	+5	157	153	+4	154	154	0
8	161	155	+6	165	160	+5	166	163	+3	163	164	—1
10	170	165	+5	174	170	+4	175	173	+2	173	174	—1
6' 0"	179	176	+3	183	182	+1	185	184	+1	183	185	—2
2	188	189	—1	192	195	—3	194	198	—4	193	199	—6
4	199	201	—2	203	209	—6	205	212	—7	204	213	—9

Trois Rivieres Will Get Regional Shopping Centre

Riverton Developments Ltd., and **World Crossways Corp.,** both Montreal real estate companies, will build a $4.5-million regional shopping centre at Trois Rivières, Que.

To be called Centre d'Achats de Trois Rivières, it will be located 1½ miles west of the downtown shopping area of the city of Trois Rivières.

Located in a small municipality of 3,000 people which isn't officially part of the city as yet, the regional centre will cover a trading area with estimated population of 247,600 people, 95% of whom are French.

The centre, say the developers, will be readily accessible to everyone in the trading area and will cater to three trading groups. They are:

- **Neighborhood trade** from the 3,000 people living in the municipality of Trois Rivières. There are no retail stores for a distance of one mile toward Trois Rivières proper and for 7½ mi. in a westerly direction.

The municipality, it's claimed, is in the area in which the greatest part of the city of Trois Rivières development is expected to take place. Two companies, **Electricité Générale de France** and **Cables de Lyons,** will start construction of new plants there next year.

- **New centre is said to have** a large potential community trade because it lies on the fringe of Trois Rivières, a city of 53,200 people. The city's urban authorities are now planning and building roads and services for a population of 100,000.
- **Third trading group** is regional in character and covers major portion of three counties on the North shore of the St. Lawrence — Champlain, St. Maurice and Maskinonge, as well as part of one county, Nicolet, on the South Shore.

Major drawing point will be a large range of stores and merchandise offered in the centre.

According to a survey conducted of known retail sales, 67.5% of all retail sales in the entire area take place in Trois Rivières and Shawinigan Falls. Because only 33% of the area's population lives in these two cities it's apparent that a great deal of money is being drawn from other parts of the trading area.

City of Trois Rivières, the survey showed, does $20 million more retail trade annually than the gross income of its population entitles it to receive. For Shawinigan, this figure is estimated at $7.6 million.

Estimate is that some $27.8 million is spent in the trade area by people who travel from 3 mi. to 30 mi. to buy and this is seen as the potential sales source for the new regional centre.

Market analysts, the centre's developers claim, estimate that the centre should gross $18 million in its first year of operation and should reach a volume of $30 million by 1965.

Site for the centre covers an area of 80 acres, although all of this won't be used initially. There will be a 1,600-car parking lot.

Centre will be built in shape of an L, incorporating a mall. **Plans call for construction of 36 stores,** including a two-story department store, variety store, and supermarket.

Altogether, centre incorporates about 254,000 sq. ft. of selling space. Construction will start early next year.

A E I ACQUIRES SIEMENS EDISON SWAN

Mr. H. G. McHaffie, President of Associated Electrical Industries (Canada) Ltd., announces the acquisition by the company of the entire share capital of Siemens Edison Swan (Canada) Limited which now becomes a subsidiary of Associated Electrical Industries (Canada) Ltd., but will continue to operate without change of name.

Mr. H. T. Wormsell, a director of A E I (Canada), is President of Siemens Edison Swan (Canada) Ltd Established in Winnipeg over forty years ago, Siemen's recently expanded plant manufactures telecommunications equipment.

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Company Report

Aluminum

REYNOLDS ALUMINUM CO. OF CANADA, Cap-de-la-Madeleine, Que., net profit of $764,996 for year ended June 30, 1959, was 15.9% higher than previous year's $659,783.

An issue of $3.5 million 5¾% sinking fund debentures, due 1978, was sold to the public in November, 1958. Funds were used to partially finance expansion and modernization program. New equipment is expected to be in full production by September, 1960.

An increase in sales has been forecast for the 1959-60 fiscal year. Strong competition, however, may adversely affect profits in the coming year, President J. L. Reynolds reports.

INCOME ACCOUNT

Years ended June 30:	1959	1958
Net oper. income	$3,031,844	$1,803,037
Add: Invest. Inc.	105,463	24,286
Profit on sale of f.a. & invests.	1,634	21,320
Net earnings	2,138,741	1,448,823
Less: Deprec.	324,552	319,618
Amort. of deb. issue expense	13,408	5,000
Int. on debs.	235,785	118,922
Income taxes	800,000	545,000
Net profit	764,996	659,783
Less: Pref. divds.	71,250	71,250
Surplus for year	693,746	$88,533
Times Interest Earned:		
Before deprec. & amort.	9.07	13.84
After deprec. & amort.	7.64	11.13
Earnings per Share and Dividend Record:		
Preferred	$51.00	$43.99
Paid	4.75	4.75
Common	1.98	1.62
None paid.		
†Including initial.		
Shares o/s at June 30:		
4¾% pr., $100 par	15,000	15,000
Common, n.p.v.	350,000	350,000

CONDENSED BALANCE SHEET

As at June 30:	1959	1958
Cash	$276,218	$347,903
Mktble. secs.†	2,655,800	1,112,325
Accts. rec	2,265,514	1,877,172
Inventories	3,127,969	2,979,131
Prepaid exps.	57,640	50,450
Total curr. assets	8,383,281	6,367,979
Funds held	2,192,459	....
Invest. in subsid.	48,000	48,000
Fixed assets*	8,303,542	44,034,540
Deferred chgs.	218,344	72,186
Total assets	19,045,482	10,412,886
Total curr. liabs.	3,053,855	1,432,381
Funded debt	5,835,500	2,328,500
Capital stock	5,000,000	5,000,000
Earned surplus	2,156,097	1,451,955
†Market value	2,651,393	1,120,241
*After deprec. of	890,295	574,518

‡Accumulated deprec. of $3,712,991 which was charged to operations on books of former subsidiary has been reversed and value of property reduced to show actual cost to company.

Working capital	5,329,344	4,934,719

HANDLE U. S. LINE

Canadian Line Materials, Toronto, division of **McGraw-Edison Co. (Canada),** will now handle manufacture, sales and service of Edison nickel-alkaline storage batteries in Canada exclusively.

May Be Shortage If We Turn Youth From Engineering

Young people should not be discouraged from entering engineering as a career, a spokesman for the profession says.

"Canada will always have a need for professional engineers and any interruption in the output could create a serious shortage," Col. T. M. Medland believes.

Col. Medland, executive director of the 18,500-member Association of Professional Engineers of Ontario, notes there are 1,299 freshman engineers this year in Ontario's universities and colleges compared with 1,283 last year.

He was commenting on reports of falling registrations in some Canadian engineering schools. These declines have been chiefly noted in older schools.

The association is receiving "increasing requests for graduate engineers from industry and other employers of engineers," Col. Medland says.

Don't Diet, Get New Table: Maybe You're Underweight!

Carrying around some excess poundage?

Take hope — you may not be as much overweight as you think.

A new study to be released soon by the U.S. Society of Actuaries is likely to alter the generally-accepted average weights for men and women, age and height considered.

These "averages" are now 30 years old and the new study based on several million case histories allows, generally, men to be about 5 lb. heavier and women about 5 lb. lighter.

But the study also shows that extra weight cuts sharply into life expectancy.

For instance, men with weights 20 lb. above average for their height and age incur a penalty of about 10% higher mortality.

The mortality rises faster than the excess poundage: Weights up to 50 lb. in excess are associated with an excess mortality of up to 50% or even 75%.

In addition, overweight in combination with high blood pressure is found to be a much more important warning of danger than it used to be.

Where the two conditions occur together, the mortality rise is much greater than accounted for by the two conditions considered separately, according to the actuaries.

In general, it is thought that these findings will apply to Canadians as well as to Americans. It could lead eventually to some changes in insurance rates, if this is the case.

Canadian life insurance companies will get their first good look at the new study next week at the annual meeting of the Society of Actuaries in White Sulphur Springs, W. Va.

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Manitoba Has Record Year For Highway Construction

From Our Own Correspondent

WINNIPEG — In spite of one of the wettest years in Manitoba history, 1959 will set a record in highway construction.

Counting work on the trunk system, the roads to resources program and access roads work has been done on 2,554 mi.

The record 1959 program announced last October will not be completed by Dec. 31 but even if no more work is done, it will be Manitoba's biggest road year.

Of the different types of work, grading and graveling were most hampered.

Of the projected grading program of 836 mi. only 523 are completed.

The graveling program is 300 mi. short of its objective, chiefly because for a month trucks haven't been able to get to the gravel pits.

Of the five phases of work planned for the transCanada, only grading and graveling are behind schedule.

The stabilization work, seal coating and concrete paving have been finished.

The 1959 plans called for a natural resources program of 99 mi. of grading and 76 mi. of gravel.

This is completed. A roads to resources program which aimed for 133 mi. of grade and 15 mi. of graveling is behind schedule.

Except for 20 mi. the all-weather highway from Swan River to Flin Flon will have been either graveled or paved by the end of the year.

Fourteen miles of the uncompleted part through bog terrain will be excavated by dragline during the winter.

A detour over the present route about 100 mi. from the highway's new location will be kept open so that traffic can get through in the winter months.

But for announcement of this year's program at the short session of the legislature in October, 1958, perhaps not more than two thirds of this year's work could have been completed on schedule.

Some of the contracts were let before end of 1958, others early this year.

Contractors were able to get on locations early and take advantage of favorable weather at start of the season.

The jobs completed at Oct. 8 were grading 523 mi., graveling 708, gravel stabilization 316, prime treatment 179, calcium chloride 175, seal coating 295, asphalt 331, concrete 26.

Cornwall & York Machinery Going To South America

MONTREAL (Staff) — Machinery and equipment of **Cornwall & York Cotton Mills Ltd.** — once part of the ill-fated **Canadian Cottons Ltd.** textile empire—are being shipped to Colombia, South America, according to Saint John shipping officials.

Equipment in the plant was sold to **Central Mills Supply Corp.,** Lowell, Mass., earlier this year by Canadian Cottons.

The mill, located near Saint John, suspended operations in May. It formerly employed about 58.

It is the second of New Brunswick's three major textile operations to be sold to foreign interests in the past year.

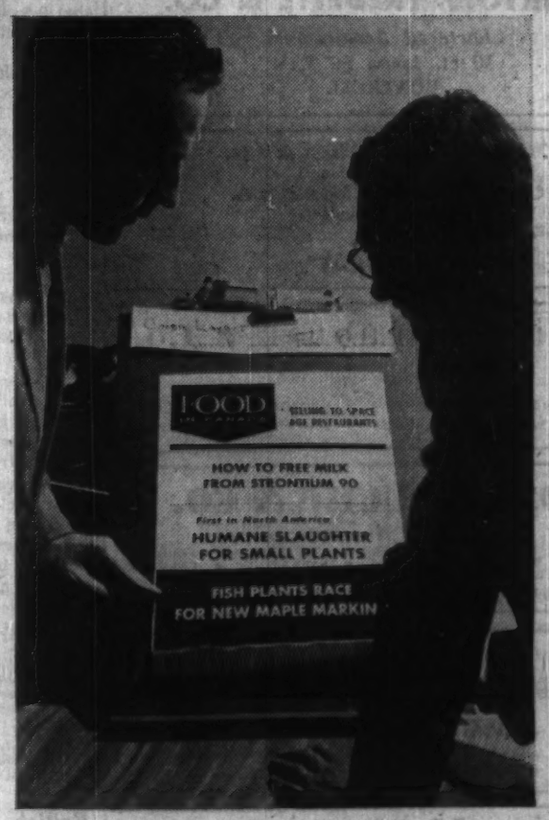
In January, plant of the Milltown, N.B., **Milltown Textiles Co-operative** was shipped to the Dominican Republic. The Milltown plant was also once a Canadian Cottons subsidiary.

Canada's bountiful fisheries yield a rich harvest / *Canadian publications perform a vital function*

From the myriad lakes, rivers and streams that dominate our landscape and from the waters of our far-flung coastline, Canada's sportsmen and commercial fishermen reap a bountiful harvest. Fishing is an important element of the Canadian way.

So, too, are Canadian periodical publications. Canadian readers reap rich rewards from Maclean-Hunter's national magazines, financial and business publications. All of them perform a vital function on the Canadian scene. They report news of interest to people in all parts of the country; they interpret world events in terms of their Canadian significance.

Thus Maclean-Hunter publications contribute to the development of a Canadian spirit and a richer sense of citizenship. Together they preserve and strengthen the priceless vehicle of Canadian expression. They are, in fact, part of the Canadian way . . . the best way for Canadians.



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Here's Coast-to-Coast Look At Our Winter Jobs Picture

Unemployment is going to be a much less serious problem this coming winter than it was last winter.

The number of Canadians holding jobs during the cold-weather months will be healthily higher than a year earlier and the number of job-seekers as a percentage of the total will be well below last year's as well.

That's the over-all picture you get when you add up reports from every province and most major industries.

Quebec, for example, expects to cut seasonal unemployment by 30% this winter. B.C. officials predict unemployment this year will be below the level both last year and the year before.

This buoyant tone is echoed in all provinces except PEI where several major construction projects will be completed within the next month or so.

Here is a special FP province-by-province report.

Saskatchewan

Outlook for employment in Saskatchewan this winter is slightly better than a year ago according to Leyton Robinson, manager of National Employment Office in Regina.

Reason:

A substantial pickup in construction, especially in such larger cities as Regina, Saskatoon and Moose Jaw. Building permits issued recently are away above same time a year ago.

Another factor is the increasing amount of labor that will be required as the South Saskatchewan Dam project gets into further stages of construction.

The only noticeable effect of the steel strike is in the car dealer trade and this is negligible since it affects sales force only.

The bad harvesting situation in the north might result in more farmers looking for winter employment, but this is not considered an important factor at worst.

Manitoba

Manitoba faces the 1959-60 winter with prospect of less unemployment than for many years.

If the winter works program absorbs the seasonal jobless in the same ratio as a year ago, 1959 will have ended as a near record year.

Usually about 40% of Manitoba's seasonal unemployment originates in the construction industry. But this year, building will provide more winter jobs than it did in 1958-59.

Several major projects will provide work for tradesmen, one of them the new $6 million administration building for the provincial government. Wet weather has impeded foundation work but most other major buildings not completed this year are far enough advanced so that interior work can continue without interruption during the winter.

Unemployment in Manitoba usually begins to rise in September. But this year it was early October before there were any signs of more persons wanting work.

In the week Oct. 24-30, the unemployment insurance commission had 7,452 applications for work in the regional area covering most of the province — 4,523 men, 2,929 women. Figures for the corresponding week of 1958 were 10,146—men 6,266, women 3,880. In both years the figures include the undetermined percentage of unemployables.

The unemployment list is now running from 2,500 to 3,000 less than a year ago. The margin is not expected to change much in months of more severe weather.

No Manitoba industry is particularly hard-hit. Construction has to make winter layoffs which this year will be less than usual. But there are no types of large industry in Manitoba which have to make big ones. Retail trade, which slackens after the holiday rush, always has to reduce personnel in early months of the year.

British Columbia

British Columbia expects a winter of less unemployment than either of the last two.

The year 1957 was a grim one in that a series of strikes added to the seasonal layoffs. A combination of economic troubles made 1958 little better.

But employment officials are optimistic this will be the best winter in the past three.

The critical period is normally from September, when employment on the West Coast is at its peak, to February, when winter unemployment is at its worst.

Here is a key indicator, say employment officials: At September 18, 1958, applications for employment numbered 41,800. At September 17 this year the figure was 35,644.

The key forest industry has picked up steam after the crippling strike which ended in September, and it is a strong point at the moment. Unemployment in the building trades is pushing close to 1,500, unofficially, but the construction picture is expected to strengthen.

Mining, although seasonal, is more buoyant than in other recent years.

Shipbuilding is a glaring weak spot. Vancouver's largest yard, **Burrard Drydock,** is near the end of current work and has already laid off 400 men.

This is expected to rise to 500 by Christmas, and there may be more layoffs after Christmas. The company's full work force is about 1,000. It has, with the backing of civic officials and Victoria Shipyards, appealed to Ottawa for new contracts.

The peak of winter unemployment came early last year. In January, some 87,000 were registered for employment.

UIC officials, however, are confident the peak this year will be lower.

Alberta

An improved outlook for winter employment is seen for Alberta during the next few months. At the same time, unemployment has declined compared with a year ago.

At the end of October, Edmonton had a total of 5,975 registered jobless, which was a decrease of 1,800 from a year ago. Calgary had fewer unemployed than Edmonton and also a drop in the over-all total from the comparable period in 1958.

National Employment Service officials say demands for building construction workers are better than last winter. Industrial plant needs also are heavy. On the other hand, there is little demand for farm workers. Due to severe weather conditions, a large part of the grain is unthreshed.

For the fifth straight year, federal, provincial and municipal governments are co-operating in winter work programs. Individuals in business and industry also are lending full support to a "plan now" drive.

In the provincial Highways Department there will be winter work such as clearing, gravel crushing, stockpiling and surveying.

The city of Edmonton which, with the federal and provincial governments, paid $771,000 in wages for winter work last year, will have a full program of sewer and watermain construction, gravel stockpiling, underground construction for electric and telephone lines.

The federal Department of Public Works plans a winter construction program in Alberta and the Northwest Territories that will exceed $1,250,000.

Quebec

Government and industry planners hope to cut seasonal unemployment in the province by 30% this winter.

Early unemployment figures verify that this is the trend. Most recent National Employment Service report — for Sept. 17 — showed 74,886 registered and looking for work in the province. That compared with 98,005 for the same week last year.

It is expected that this improvement will continue.

A nation-wide campaign was launched earlier this year to keep young people in school until graduation. This was considered particularly important in Quebec where early school leaving is a serious problem. Now employment officials report a heavy return to school this fall, with a resulting drop in the potential unemployed.

Another campaign in the province, to have more winter construction work carried out, seems to be heading for success. Last week Montreal launched its winter work campaign, with news that the number of construction workers now seeking employment in the area is down some 33% from this time last year — and more jobs will be available.

A Quebec-based spokesman for the Unemployment Insurance Commission told FP that all the statistical information coming into his office indicated more jobs and fewer jobless than has been the case for some years.

Only an unexpected drop in general industrial demand seems likely to keep Quebec from setting new winter employment records.

Ontario

The seasonal upturn in unemployment in Ontario began last month but the rise in job-seekers in most centres was slower developing than last year, officials of National Employment Service report.

Generally, forecast of winter trend is for a slightly better picture than in 1958-59 season.

Two developments are countering this outlook:

• **Steel shortages,** direct result of prolonged U. S. steel strike, have caught up with our auto industry.

General Motors has a lay-off schedule underway which will release up to 6,000 at its Oshawa and St. Catharines plants.

• **Withdrawal of Ottawa** from direct housing loan field is expected to curb some house building this winter.

House construction will not be affected across-the-board. Substantial programs are being carried out without direct loans, others had Ottawa commitments before the fund dried up.

But some observers name it as a major factor affecting winter employment outlook.

One Toronto area builder estimates a 1,000-man lay-off because of it, another forecasts a "100% drop in new commitments" because of shortage of institutional mortgage funds plus loss of the direct loan source.

But several bright spots are carrying fall employment trends ahead of last year.

Steel-makers are working at capacity, have orders ahead to keep plants busy at least until end of the year.

Manufacturing activity generally climbed steadily through late summer and autumn. Outside of industries vulnerable to U. S. steel shortages (autos and feeder plants), this activity is expected to better the 1958-59 performance.

Mining industry is also in better shape, particularly gold mining which still suffers from shortage of skilled miners.

Wholesale and retail trade is expected to continue a brisk demand for labor.

Even in forestry — where there has been over-supply of workers for several months — bush operations have been stepped up and employment is higher than last year.

In all industries, demand for skilled tradesmen is running

(Continued on page 41)

The Outlook By Industry

Here is an FP spot check of employment prospects in a sample of industries.

As often as possible, industries susceptible to employment cutbacks for seasonal or cyclical reasons were included.

On the whole, however, the over-all employment outlook is bright. And even in many of those industries where the sales outlook is somewhat less than buoyant, the employment prospects are reasonably bright.

• **Construction:** Over-all the industry expects total volume of work this winter will be at least comparable to last winter's, perhaps even slightly better despite the slowing pace of housing starts.

Although Ottawa cut off direct lending for housing, the program already produced an additional 20,000 units most of which will be under construction this coming winter. Starts this year will still be 140,000, second highest on record.

Carryover of housing into next year will be about 80,000 units — similar to last year's, an insurance against higher industry unemployment.

Spurts in other areas, notably industrial building, will help unemployment in the industry down to last year's level, if not below it.

• **Pulp and paper:** Prospects are good. In the mills where almost 70,000 are employed sales tonnages are rising, although there is still considerable excess capacity. Outlook is bright enough for industry officials to predict that the normal winter decline in numbers employed will be less than usual. And in scattered instances, some companies expect their woods operations this winter will require more men than usual.

• **Mining:** No big increases, no big decreases. Since this is not a seasonal industry, winter unemployment doesn't figure here. Over-all little change expected in numbers employed except in exploration activity where there may be a slight let-down.

• **Oil:** Industry anticipating fairly active winter on both the exploration, refining and retail fronts. No important employment changes foreseen.

• **Gas:** The gas program is still expanding with employment gradually increasing in transmission and distribution fields.

• **Pipelines:** Final approval for gas export to U. S. Midwest would mean a $35-$40 million pipeline construction program in western Canada next summer. If approval is forthcoming for export into U. S. Pacific area, this will touch off an additional $130-$150 million pipeline program in Alberta and B.C.

• **Steel:** Canada's steel industry operating at virtual capacity. This situation is seen continuing into the first half of next year at least.

• **Chemicals:** Demand seen holding at slightly better-than-average level over next few months at least.

• **Automobiles:** Employment will pick up as soon as key steel supplies are available from the U. S. **General Motors** expects a return to a record hourly-rated payroll of 10,500 — up from 9,600 when layoffs started last week. Many other industries, producing for the car makers will also find employment rising after the U. S. parts start arriving.

• **Trucking:** Officials in this industry expect a surge of hiring after the auto industry revives which will offset the normal 2%-5% reduction in work rolls in mid-winter.

• **Farm equipment:** Some slight reduction through to February when this industry's normal seasonal upswing begins. Then some additions to the usually steady labor force.

• **Aircraft:** Industry hopes for defence production sharing with the U. S. but not in time probably to build up any work force over the winter. **Canadair,** however with new orders for CL-40 turbo props will maintain its present 10,000-man work force.

DeHavilland, though has already let men go and will lay off others during the coming six months. If new orders for its Caribou come through then the work force would increase.

Not much change is expected at **Avro Aircraft** and **Orenda Engines** before the end of the year. However, an additional 3,000 jobs are expected to be available at Orenda where engines for the RCAF's F-104 fighter are to be built.

• **Aluminum:** This industry appears to have turned the corner toward better sales and this should hold employment firm throughout the winter.

• **Aluminum Co. of Canada** expects to add about 250 to the present total over the next four months. **Canadian British Aluminium** is now operating at capacity and employing 1,000 now as against 740 a year ago.

• **Textiles:** Near-term employment prospects moderately good. Higher volume of business attained by many mills in past few months helping sustain employment and indications are that the modest uptrend in textiles will continue at least to year-end.

What decline there has been in the cotton industry alone is due in good part to gradual suspension of manufacturing operations by **Canadian Cottons Ltd.** and according to some reports operations may be wound up by year-end. **In Hamilton Cotton Co.** little real variation in business or employment expected.

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Depreciation, Exchange Loss Hurt Great Lakes Showing

- *Pulp and paper sales up, profit down . . .*
- *Moore Corp. business still at high level . . .*

By NESTOR

GREAT LAKES PAPER CO. sales rose 14% to a new high of $26.6 million in the nine months ended Sept. 30 from $23.4 million in the corresponding 1958 period. Third quarter sales were up 12% at $8.9 million ($7.9 million a year ago).

However, net profit for the nine months declined 10% to $1,317,070 ($1,461,311) or $1.02 ($1.14) per share. For the third quarter, earnings were $583,184 ($621,812), equal to 46c (49c).

Ratio of net profit to sales was 6.56% in the third quarter, an improvement on the second quarter's $4.68% and the first three months' 3.58%. Nine months' profit margin of 4.95% compares with 6.84% for full year 1958 and 7.54% for 1957.

Combined increase in depreciation and in revenue loss from U.S. dollar discount in the nine months was almost equal to total net profit, President C. J. W. Fox says.

Depreciation at $2.6 million was up 43% and discount loss of $997,704 was 58% above last year. In the third quarter, discount loss was $395,070 or 111% ahead of the like 1958 period. In newsprint sales, it has been as high as $6.70 per ton.

President Fox had previously commented that dollar discount loss "constitutes a difficulty greater than depreciation charges or increases in operating costs and is a serious problem for all Canadian exporters."

Higher depreciation charges represent depreciation on the new No. 4 newsprint machine at the maximum allowable rate. It is expected that depreciation charges will begin to diminish next year.

Newsprint shipments in the nine months increased 22% to 171,905 tons. Pulp shipments were down but combined newsprint and pulp deliveries were up 14% over a year ago at 202,137 tons.

With 1959 capacity rated at 358,512 tons, company's newsprint shipments have been equal this year to about 64% of capacity. (Current year's capacity is 31% above 1958, reflecting the full year's availability of No. 4 machine.)

The third quarter gain in shipments over 1958 was greater than in the first half — 25% vs. 20%.

Here are the earnings per share results by quarters for 1957, 1958 and 1959:

	EARNINGS PER SHARE				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
	$	$	$	$	$
1957	0.50	0.39	0.41	0.40	1.70
1958	0.33	0.32	0.49	0.58	1.72
1959	0.23	0.33	0.46	...	...

The 1958 fourth quarter produced a sharp jump in profit. This may make it difficult for the company to match the 1958 level this year, even if exchange rate conditions improve.

At recent market price of $38, common stock is 41% above UV level ($27), could rise 47% before reaching OV level ($56). Price is 22.1 times 1958 earnings of $1.72 per share. Yield is 4.21% at indicated annual dividend rate of $1.60 per share. Price this year has ranged between a high of $45¼, a low of $35¼.

• • •

MOORE CORP. sales and earnings in the first nine months of 1959 were well ahead of the corresponding period last year.

Sales amounted to $106 million, an increase of 13% over $94 million in the first three quarters of 1958. For the third quarter, sales were up 15% at $36 million ($31 million a year ago).

Net profit for the nine months was $8.7 million ($6.9 million), 26% higher than last year. Earnings were equivalent to $1.32 ($1.05) per share (adjusted for three-for-one stock split in May, 1959).

Third quarter earnings improved 32% over the like 1958 period — $3 million ($2.3 million), equal to 45c (34c).

In their letter to shareholders, W. N. McLeod, chairman, and T. S. Duncanson, president, state that "there is every indication that the company's business will continue at a high level for the remainder of the year."

They point out, however, that the final quarter of 1958 was one of unusual activity and better-than-average profit.

It is not to be expected, therefore, that fourth quarter results will show the same percentage increase over last year as prevailed for the first three quarters of this year.

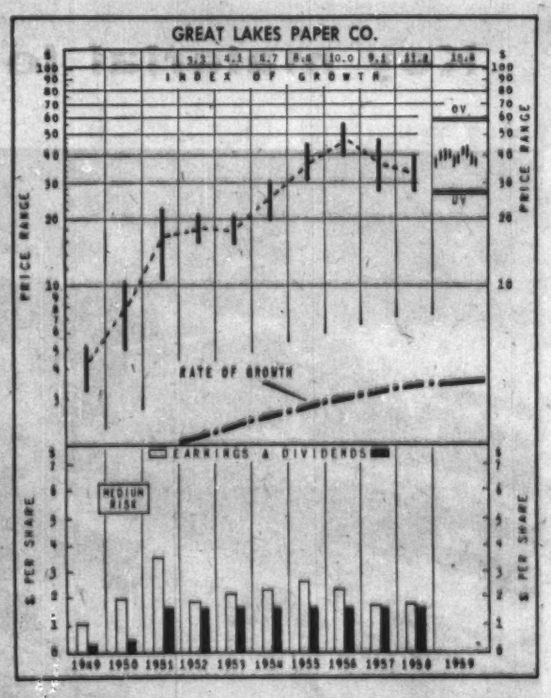
In the final three months of 1958, sales amounted to $34 million and net profit $3 million, bringing year's totals to $127.5 million and $10 million ($1.53 per share) respectively.

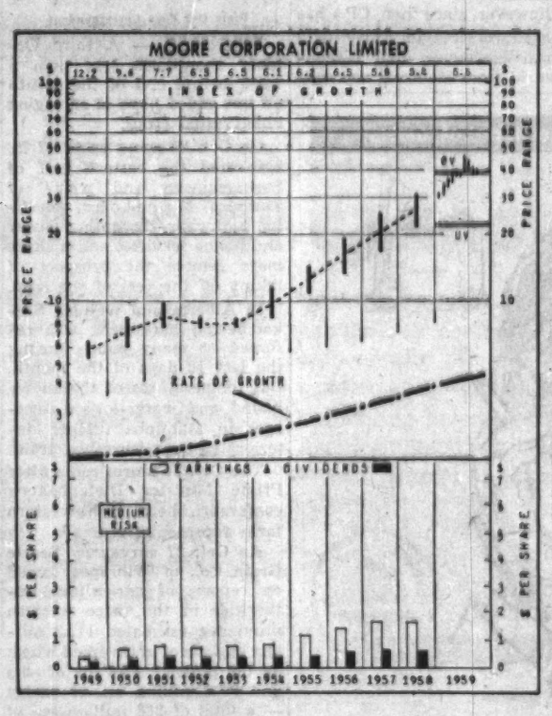
If the seasonal pattern of Moore Corp.'s business of the last three years is maintained this year, full 1959 earnings should amount to at least $1.75 per share.

Earnings per sales dollar rose to 8.2c in the latest nine months from 7.3c a year earlier.

Manufacturing, selling and administrative expenses in the first nine months were approximately 81% of net sales billed vs. 83% a year ago. Investment income was 2.7% of net profit (2.4% last year).

At recent market price of $38¾, common stock is 68% above UV level ($23), could fall 2% before reaching OV level ($38). Price is 25.3 times 1958 earnings of $1.53 per share. Yield is 2.06% at indicated annual dividend rate of 80c (U.S.) per share. Price this year has ranged between a high of $46½, a low of $29¾.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high low and mean price Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS. Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

*Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 10, 1953. A limited number of reprints are available on request.

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VOTE ON MERGER

Shareholders of two Kalamazoo, Mich., paper companies — **KVP Co.** and **Sutherland Paper Co.** — are to vote on a merger proposal. New company would be called **KVP Sutherland Paper Co.** KVP Co. has a Canadian subsidiary of similar name, producing kraft pulp and groundwood pulp at Espanola, Ont.

VIDEO TAPE

Canadian programs for television will be produced on video tape by **Sovereign Broadcasting Co.** A video tape centre has been established by K. D. Soble, president of CHCH-TV in Hamilton, Ont., and it will include mobile tape equipment. Audition tapes of first group of shows will be ready toward end of this year.

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Canada-Italy Air Service By Next Year?

MONTREAL (Staff) — Talks this week in Rome could lead to direct Canadian-Italian air services next year.

Controversial question:

Which Canadian airline will do the job?

Paul Davoud, chairman of the Air Transport Board, flew to Rome from Ottawa over the weekend. He told friends that he had "no intention of returning without a bilateral agreement signed and sealed."

The agreement would be important news both for Canadian airlines and Italian-Canadian trade, which is growing quickly.

Alitalia, Italy's flag-carrying airline, has had offices in Montreal for some two years but has been restricted to selling tickets on its services into Rome and Boston because no bilateral existed between Canada and Italy.

Talks had been held at various times, but they failed because of Italian insistence on passenger rights between Montreal and London. This is known as a "Fifth Freedom" agreement.

The U. K. granted Italy the right to originate traffic between London and Montreal in return for concessions into Rome. This was considered a shrewd piece of British "horse trading" as Canada was almost certain to refuse to ratify the essential second part of the agreement. The U. K. guessed right.

Now it is widely rumored in airline circles that Italy is prepared to drop the Montreal-London clause. If so, nothing now stands in the way of quick agreement.

Will **Trans-Canada Air Lines** or **Canadian Pacific Airlines** get the nod as Canadian carrier into Rome?

Both badly want Rome, TCA applied for it over 10 years ago as a logical extension of its role as Canada's designated carrier to Europe.

However, since then, CPA has opened services to Amsterdam from Vancouver, and Lisbon-Madrid from Montreal and considers Rome a sensible extension of those services.

Rome is one of the top 10 world air traffic points. It not only serves its own heavy population area, but is the main gateway to the Middle East, Africa and Central Asia. It would be a vital link in round-the-world service that both TCA and CPA have in their future plans.

Heavy Italian emigration to Canada in recent years has boosted direct traffic between the two countries.

There is also a steady "Latin" trade between Italy and Central and South America that could be tapped by a linking Canadian service. One of CPA's main arguing points is that it now serves Latin America.

At present Alitalia operates twice-daily flights between Rome and Boston-New York flying DC-7C airliners. It has a fleet of DC-8 jet liners on order for next spring — the same type ordered by both TCA and CPA.

An Alitalia official in Montreal told FP that initial services to Canada would probably use the prop-powered DC-7Cs with jets coming later.

At present Alitalia carries more international passengers than TCA and CPA combined.

Last year it carried 372,065; TCA, 132,663 and CPA 65,175.

When the Italian talks are over, Davoud is heading for Holland. The Dutch want to talk about extending their services in and out of Canada.

Possible targets: The right to carry Canadians to Texas and Mexico from Montreal.

Snow Buries Prairie Hope For the Crop

From Our Own Correspondent

WINNIPEG — A third October snowstorm less than a week before end of the month all but ended hope of salvaging unharvested crops.

On Oct. 25 snow up to 12 in. blanketed the eastern half of Saskatchewan and part of southern Manitoba, blocking highways, disrupting power and phone services, and making more remote the prospect of taking off the rest of the crop.

In Alberta and western Saskatchewan harvesting was resumed at many points during the last 10 days of the month. But temperatures of the snowbound and water-logged acreages in Manitoba further deteriorated the unthreshed grain.

The Oct. 25 storm came after Prime Minister Diefenbaker's conference here with western farm representatives.

An Oct. 27 survey by **Searle Grain Co.**, of Winnipeg, based on reports of agriculture authorities in the three western provinces, estimated 117.3 million bushels of unthreshed wheat on the prairies, 85.4 bu. of oats and 60.3 million bu. of barley — a total of 263 million bu. of the three main grains.

This didn't include the flax crop — in recent years important to farmers as a source of cash and more important in 1959 because an estimated production of 21 million bu. is involved, and a big part of it not harvested.

The Searle estimate said that 10.95 million bu. of the 1959 flax crop was still in the fields — 1.9 million bu. in Alberta, 5¼ million bu. in Saskatchewan and 3.8 million bu. in Manitoba.

This total may have been reduced because some flax has been harvested the last two weeks in western Saskatchewan.

The whole flax picture, however, is somewhat mixed.

Even assuming more threshing may be possible before winter comes in earnest, there is bound to be a heavy loss in quality and bushelage. The amount can't be estimated until attempts are made next spring to salvage the crop left out all winter.

BIGGEST CUSTOMER

Vauxhall Motors, GM subsidiary in Britain, has increased exports 25%, with Canada its biggest customer. Exports to Oct. 17 totaled 105,000 compared to 103,411 for all 1958. Canada has taken 20,000 Vauxhalls this year. In August Vauxhall registered 2,640 cars in this country, 7.6% of the market.

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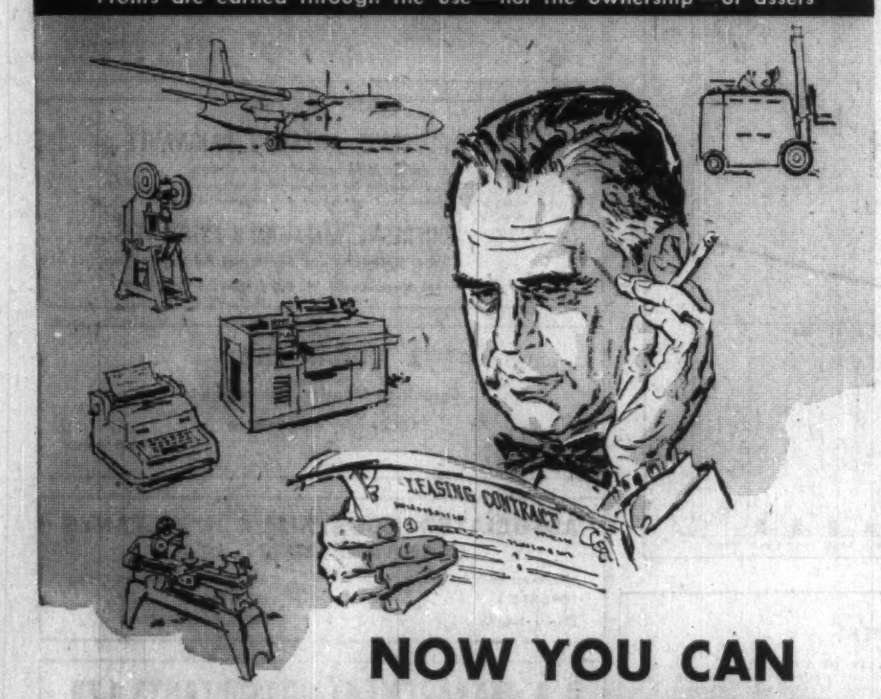

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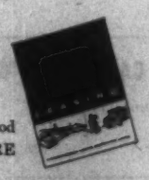

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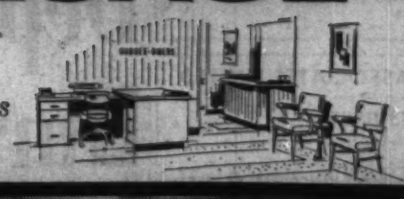

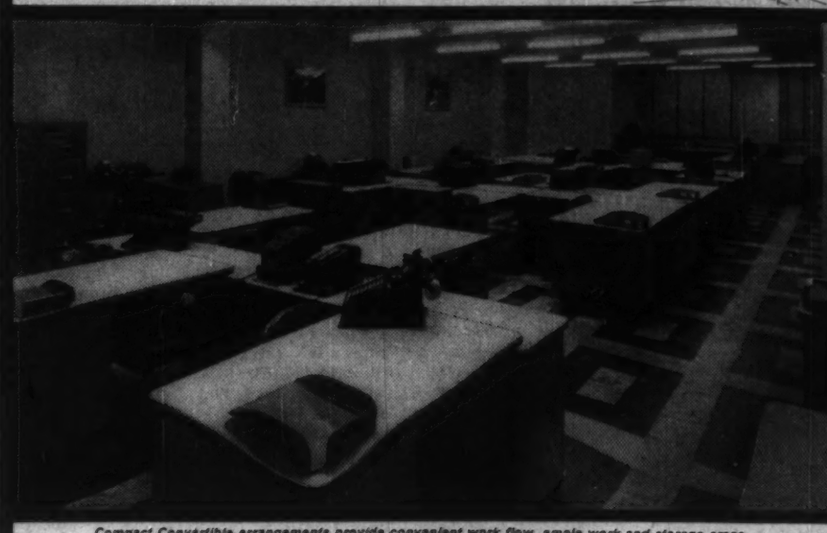

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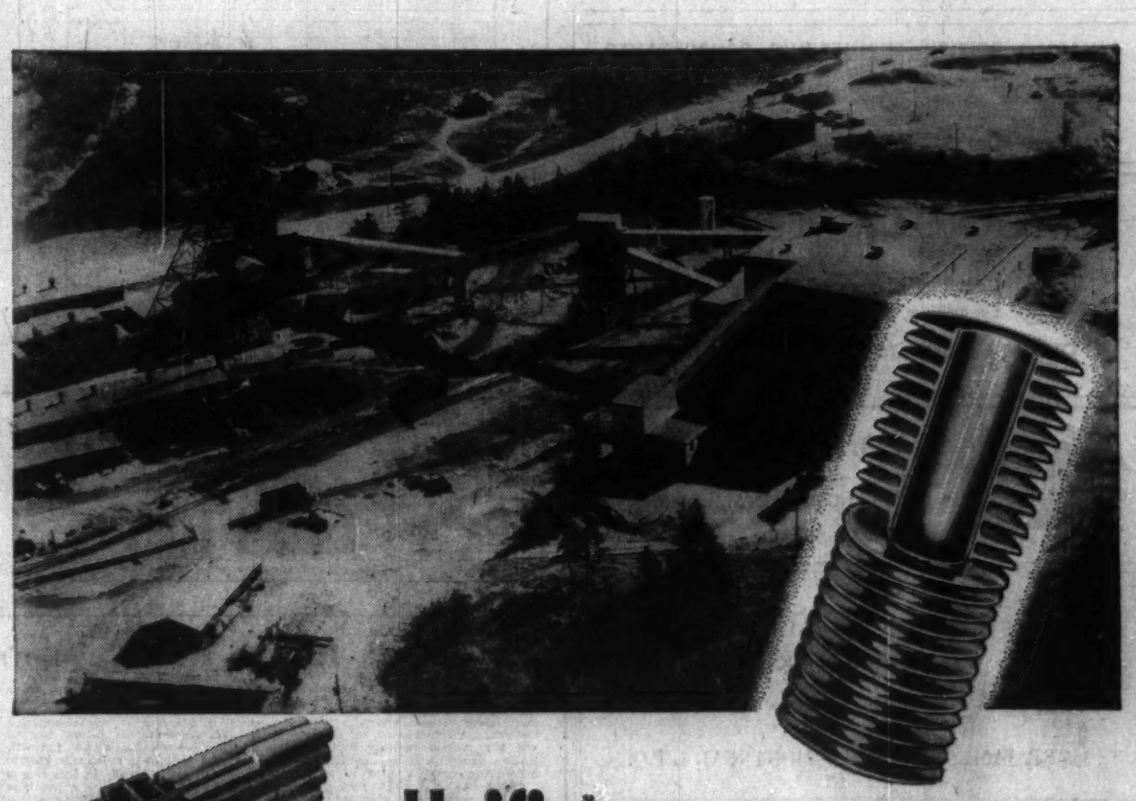

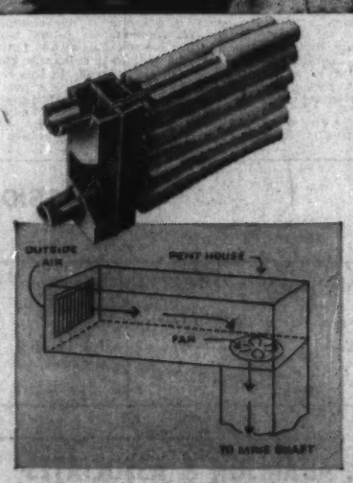

Unifin Frost-Proof Blast Coils—illustrated here in cut-away detail—are performing a vital function at Falconbridge Nickel Mines Ltd., near Sudbury, Ont., in supplying pre-heated air to underground levels. A simplified diagram, above, shows how this is accomplished.

Of particular value in installations of this kind are Unifin's characteristics of superior heat transfer, low air pressure drop, long life, and low maintenance.

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ROLLING TRANSPORT: 8 ft. ball carries cargo down the Fraser River.

Low-Cost Transport: Spheres Carry Cargo

From Our Own Correspondent

VANCOUVER — Here's a novel twist for low-cost industrial transportation: Send your cargo downriver in big floating balls.

They need no crew, burn no fuel and they even bounce through rapids.

If you let your imagination go, you could visualize the Saskatchewan, St. John, Red and St. Lawrence rivers as ribbons of rolling spheres, each flying your company colors, bobbing your products to market at a dawdling but very inexpensive 2 mph.

But don't start dreaming yet. The cargo ball idea is still in its experimental stage.

Crown Zellerbach Canada Ltd. literally has started the ball rolling by sending cargoes of pulpwood down British Columbia's Fraser River in 8 ft. fibreglass spheres.

If the gimmick works, it could open up huge potential for wood that is now wasted.

B.C. loggers, after experimenting with the Fraser's high- and low water periods, have found they can run logs down the boiling river — even through Hell's Gate, the constricted passage of the river where migrating salmon beat the swift current only via fish ladders.

Now CZ is going one better. It hopes to feed its coast pulp and paper mills, at Ocean Falls and Elk Falls, with pulpwood borne down the river in the fibreglass containers.

In one run, a loaded ball floated 50 mi. down the river, through swirling Hell's Gate, and was picked up just below Hope, 100 mi. east of Vancouver and the southern entrance to the Fraser Canyon.

The ball was bruised, but the chips were dry.

In a second trial run, the ball was released at Quesnel in the Cariboo district for a 300 mi. run downriver to Hope. It grounded on a sandbar 50 mi. downstream near Soda Creek.

But, undaunted, CZ plans more runs.

It may also try balls made of different materials, and of different shapes and sizes.

The prototype ball was designed by the company's vice-president of timber, Hugh Hodgins, and wood supply department manager Ernie Pedersen. It was fabricated to CZ specifications by **Pacific Plasti-Glass Developments Ltd.**, of Annacis Island.

The sphere, 8 ft. in diameter, is made of ⅛ in. fibreglass and painted red. It was fabricated in quarters.

The semi-spheres are flanged to give strength and to permit the two halves to be nested for handling and transportation on land. The halves are joined by steel bolts.

Weight empty is about 200 lb.; one half has an 18-in. diameter hatchway for loading and unloading wood chips. It carries about 1¼ units of chips, or some 250 cu. ft.

Runs of 400 to 500 mi. to Vancouver may be possible.

In the integrated mills on the coast, virtually all parts of a tree — even the sawdust — are utilized. In the interior, where there are only sawmills at present, smaller trees and pieces of wood are burned or otherwise wasted.

CZ's fibreglass spheres may change this, enable greater utilization. The West Coast's forest industry is already a $600 million a year business.

Canadian Firm Develops New 'Jet Age' Hose

Flexonics Corp., Brampton, Ont., has developed a new kind of multi-metal hydraulic hose which it claims will help jet aircraft and rockets fly higher and faster.

The metal hose, says Percy Bowers, president, is capable of withstanding sudden high pressures and extreme temperatures.

The new tubing is a three-ply corrugated hose, with inner and outer plies made of stainless steel and a middle ply of selected copper alloy.

The tube can endure readings colder than —450 deg F. with complete flexibility, carry burning liquids without lowering the operating pressure, and remain in sound condition at temperatures up to 1,200 deg. F.

It has passed rigid U.S. Air Force impulse loading tests at pressures above 4,500 lb. sq. in., with endurance in excess of 100,000 cycles, Bowers says.

The tube, labeled RF-69, has been manufactured experimentally in sizes from ¼ in. to 1¼ in., with larger hose ranging up to 2 in. planned for the immediate future.

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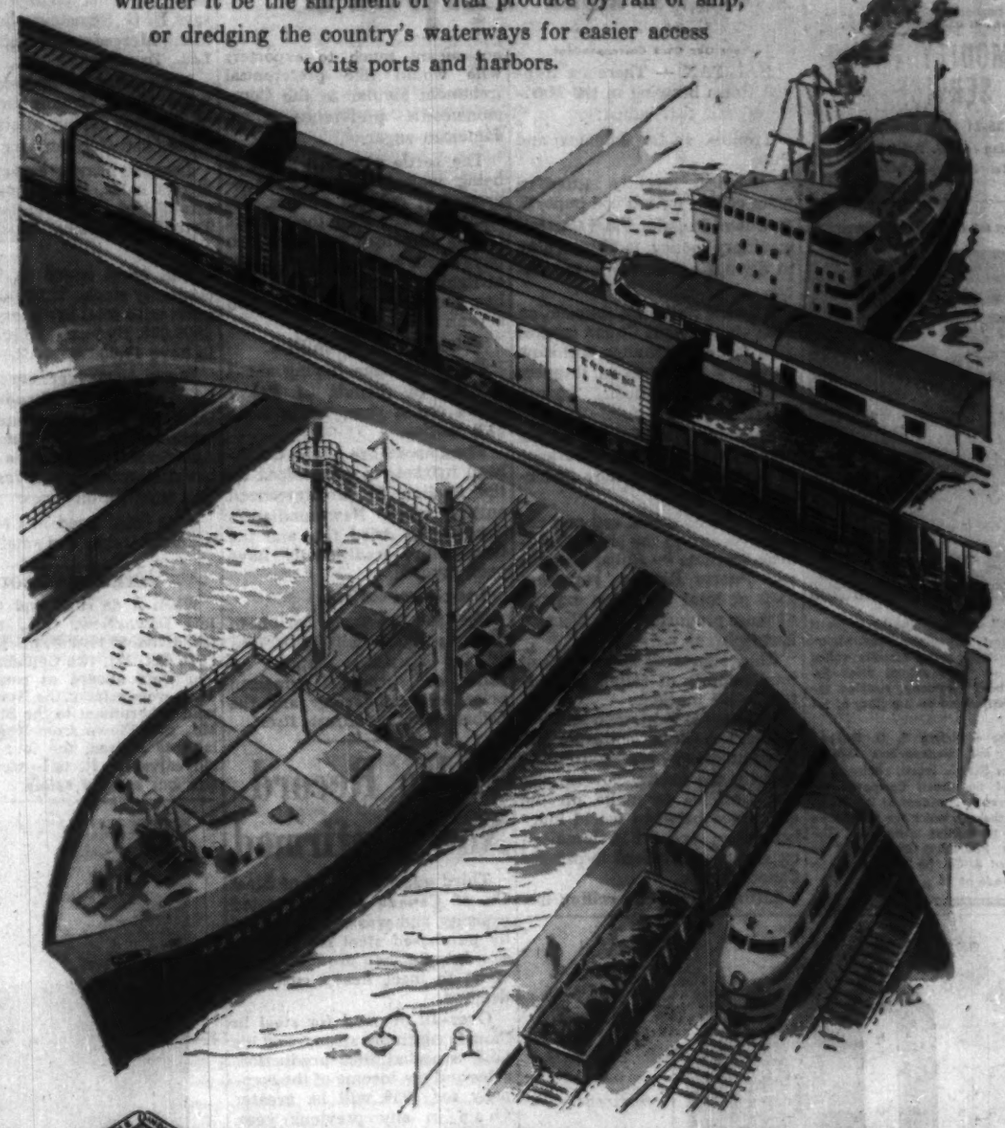

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Jamaica and Cuba Market Problems For Fish Exports

From Our Own Correspondent

HALIFAX — There's a tropical storm brewing in the Maritimes' salt fish industry.

Trouble spots: Jamaica and Cuba.

- **Jamaica** recently lifted a price ceiling on salt cod imports.
- **Cuban** Premier Fidel Castro's monetary policy is threatening to disrupt payments to exporters.

Atlantic Salt Fish Association officials say tight Cuban control over foreign exchange will slow payments to Canadian shippers but won't drastically reduce trade.

However some producers are prepared to demand assurance of payments before they undertake shipments.

Exports of salted cod and related species to the chief Caribbean markets — Cuba, Jamaica and Puerto Rico — represent 65% of total Canadian exports of these products in the Western Hemisphere.

They represent about 50% of total exports of salted groundfish to all markets.

Meanwhile fishermen in Nova Scotia, the Gaspé peninsula and Newfoundland are continuing to press the federal government for subsidies to make up the difference between world market prices and what Jamaican consumers can afford to pay for Canadian fish.

Lifting of the 21c ceiling has not meant much to exporters who would like preferential treatment similar to the Commonwealth preference given Jamaican sugar.

The battle over fish prices is being waged against a background of reduced catches. Yet shippers can't turn their backs on the Jamaican market which buys about eight million pounds of light salted cod and six million pounds of heavy salted cod a year.

Value: Over $2 million.

Cuba has been buying about 11 million pounds of heavy salted cod a year, worth some $1.8 million.

The importance of the Caribbean markets is emphasized by the decline in Mediterranean outlets, where Newfoundland's light salted dried fish and the Gaspé cure traditionally have been favored.

Long-term outlook:

By 1980 the three Caribbean markets likely will take 75% of the Canadian exports of salted cod, provided Jamaican prices are satisfactory and the Cuban situation adjusts itself.

ANNOUNCEMENT

The Class "A" shares of Charles E. Frosst & Co., largest Canadian-owned ethical drug manufacturer, were recently called for trading on the Montreal Stock Exchange. A brief ceremony, marking the event, was carried out on the Floor of the Exchange.

In the above picture E. D. Falkner, representing the Underwriters Wood, Gundy & Co., Eliot S. Frosst, chairman of the board of the Frosst Company and Henry G. Norman, President of the Montreal Stock Exchange, watch the ticker tape as the initial transaction takes place. The first sale, a 200-share block, sold to Jones, Heward & Co. by C. J. Hodgson & Co., was made at 16¼.

Mercedes-Benz Predicts Hot Canadian Sales

Introducing its first new model in five years, Mercedes-Benz sees Canadian sales "limited only by our factory quota", says H. G. Reinstein, vice-president, **Mercedes-Benz of Canada Ltd.**, Toronto.

With sales of approximately 3,000 across Canada this year, M-B hopes for an allotment of 3,500 from Germany for 1960.

Leaning heavily on service to attract sales, the company has established parts warehouses in Toronto, Montreal and Vancouver.

The main depot in Toronto currently stocks 16,000 different parts with total inventory worth $500,000. By year-end it expects to have 17,000 in stock.

New passenger car models have gone to wrap-around windows, a small fin, and safety features aimed at the North American market, plus a sports-car suspension that gives excellent stability on turns.

Also introduced in Canada is a line of trucks and small buses.

FLYING CARIBOU

When a de Havilland Caribou left Downsview, Ont., recently for delivery to the U. S. Army (**FP**, Oct. 17), two Canadian caribou were aboard as passengers. They were gifts of the Newfoundland government to the St. Louis, Mo., zoo. Flown from Newfoundland to Malton, the four-month-old calves—5 ft. tall—were skittish but arrived safely.

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- For complete information or personal interview write Alderman Walter J. Chisholm, chairman Sault Ste. Marie Industrial Committee, City Hall, Sault Ste. Marie, Ontario.

Stelco Record Now Confirmed

Third quarter output of **Steel Co. of Canada** exceeded rated capacity and was supplemented by purchased steel for conversion into finished products in an effort to meet heavy customer demand.

Over-all demand for steel in Canada continues strong, and it's now expected that production, sales and net income of the company for 1959 will be greater than in any previous year, Chairman H. G. Hilton says in a message to shareholders.

Sufficient tonnages of iron ore have been brought to Hamilton to ensure steel production will not be interrupted through ore shortages during the winter.

Costs, however, will be increased because of idle mine expense and the higher cost of the ore purchased.

Imports of wire nails, barbed wire, bolts and screws, all with a high labor content, have been increasing and have reduced domestic manufacture of such products.

The new continuous buttweld pipe mill has come into operation at Contrecoeur, Que.

Mill has a capacity of 100,000 tons a year, will produce quality pipe in the ⅜-in. to 4-in. diameter range.

Construction of new large-diameter pipe mill at Camrose, Alta., is proceeding on schedule and should be completed next spring.

Plant is being built by **Camrose Tubes Ltd.**, an Alberta company, which is jointly owned by Stelco and **Page-Hersey Tubes.**

Japan Boosts Auto Production By 50%

Japan rates eighth in world motor vehicle production, according to statistics compiled by Motor Trades Association of Japan.

Japanese production now equals 75% of the Canadian automotive industry, which stands sixth in world figures.

The Japanese have increased production 50% in two years.

There were 114,822 three-wheeled vehicles in the Japanese total of 292,753 units for 1957, latest year for which complete world figures are given.

Other production: Trucks 128,820; buses 8,036; passenger cars 47,121.

Production of standard vehicles in 1958: trucks 130,366; buses 7,594; cars 50,643.

In the first post war year, Japan's total vehicle production was 14,921.

Exports in 1958 numbered 10,274, mostly trucks.

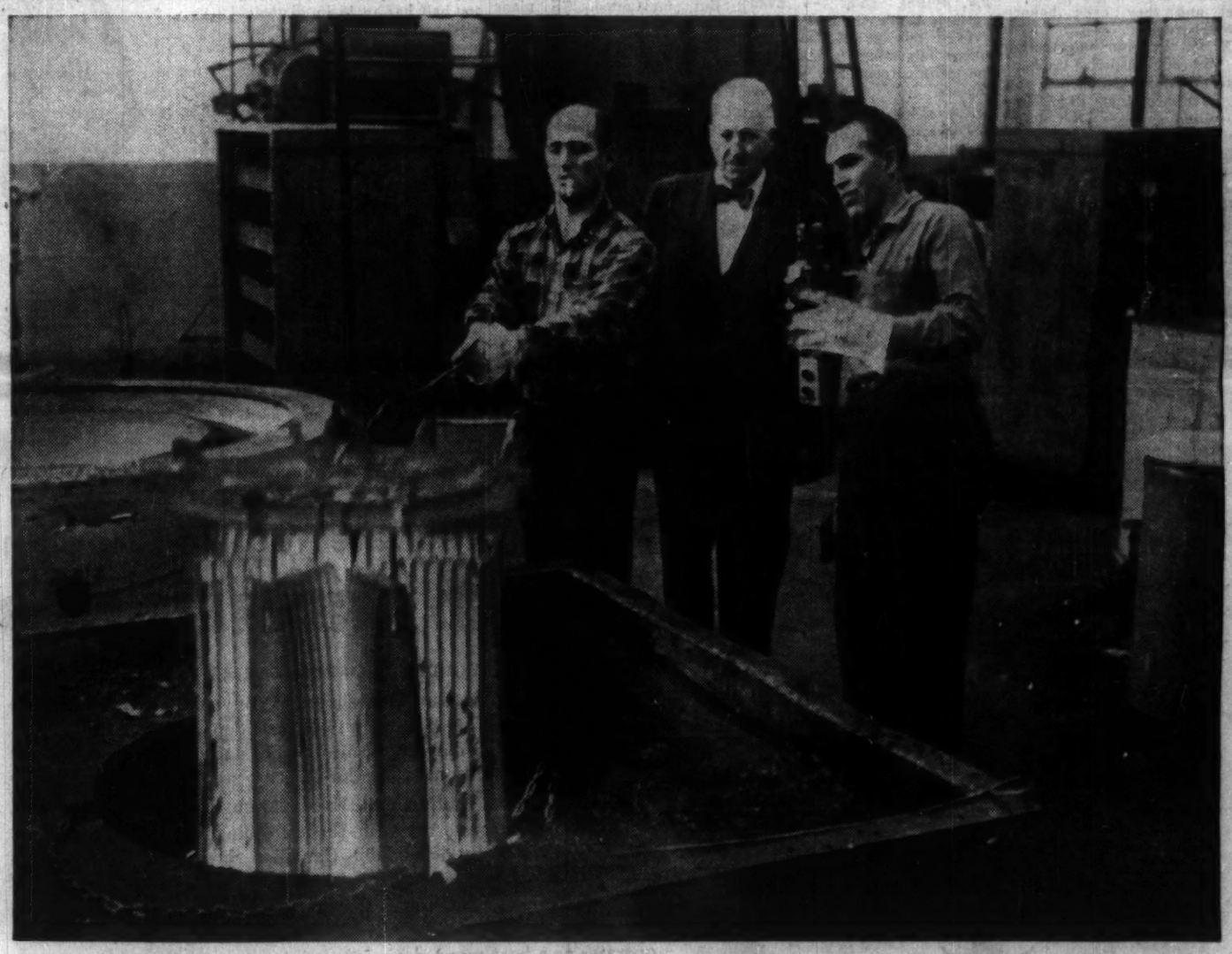
Best customers: The U. S., Burma, Thailand, Venezuela and Nationalist China.

Motor vehicle registrations total 710,455 of which 226,011 are passenger cars.

Canada, in 1958, produced 359,777 motor vehicles, 298,349 passenger cars and 61,428 trucks. There were 4,723,126 motor vehicles registered in Canada last year, including 3,563,879 cars.

ELECTRONICS COURSE

Fourteen Department of Transport radio engineers and technicians from across Canada have completed a course on new transistorized error correction equipment for radio teletype communications. The course, arranged by **Ahearn & Soper Co.**, distributors of the equipment, was held at Carleton University, Ottawa.



SUN OIL INCREASES QUENCHING RATE REDUCES COST AT OUTBOARD MARINE

Further proof that Quality is the best economy of all

Outboard motor components have to meet exacting metallurgical specifications to stand the punishment they receive on Canadian lakes. At Outboard Marine Corporation of Canada Limited, manufacturer of Johnson, Evinrude and Buccaneer outboard motors, Sun Quenching Oil Light was found to give sufficient quenching rate to develop required hardness, and is now used exclusively. Because of its excellent performance, it has again been selected for a new installation of increased capacity.

Many Canadian companies, who have found other quenching oils to be expensive and unable to give sufficient quenching rate for their requirements, have adopted Sun Quenching Oils exclusively for satisfaction and economy.

For complete information about quenching oils, call "The Man From Sun Oil" or write **Sun Oil Company Limited, Industrial Products Department, 85 Bloor St. East, Toronto 5.**

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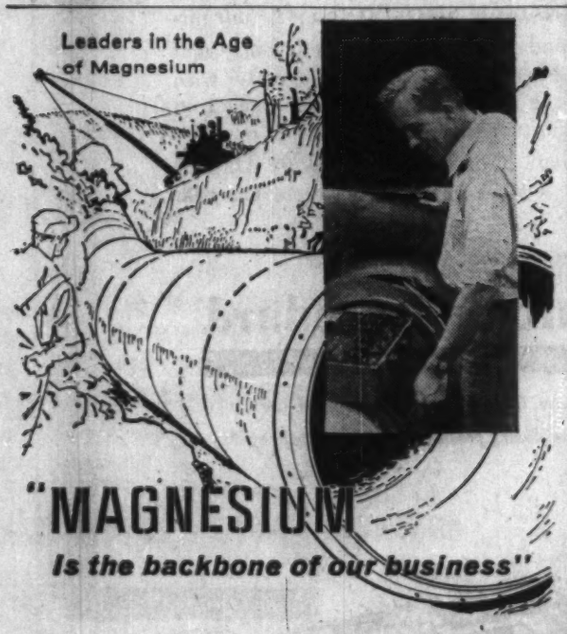

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More Russian Tourists Coming Here Next Year

By BEATRICE RIDDELL

You can expect to see more Russian tourists in Canada as well as more Canadians visiting Russia next year, according to high ranking officials of Intourist (Soviet government travel organization).

Now in Canada to promote two-way tourist traffic, are V. I. Babkin, manager of the U. S. and British section of Intourist, and N. Bondarev, deputy chairman of the Intourist department that handles travel of Soviet citizens to foreign countries.

Western travel to Russia has been increasing at a healthy pace in the past few years, although from Canada it is still very small (300 Canadian tourists this year compared with 12,000 from the U. S.).

But while Russians have been traveling to other western countries in large numbers, the tourist trek to North America only started this year. Many more groups are expected next year.

How do Russian visitors like Canada and the U. S.?

• They claim regulations are strict. According to the visiting tourist officials, it takes at least a month for a Soviet citizen to obtain a Canadian visa, compared with seven days for a Canadian to get his Russian papers.

• They find the cost of holiday living high compared with Russia. For group travel, the daily per person cost in Russia is $17.50, according to Mr. Babkin. This price includes first class hotel, meals, limousine service and interpreter.

For deluxe service if you travel on your own, the daily tab would be about $30 including a hotel suite (complete with grand piano), à la carte menu, car and guide.

And in Russia, foreign tourists get a preferential exchange rate.

• Russian visitors would like to have more opportunity of seeing how North Americans live. They would like to visit factories and meet more Canadians of similar interest and professional background.

CUT AIR RATES

Rate reductions averaging 50% on general air freight will be introduced by **Pan American World Airways** Jan. 1. A new bulk discount system of rates also will be effective that date. Pan Am will operate three cargo flights per week to Tokyo instead of one, starting Nov. 14.

ANNOUNCEMENT

DUNLOP APPOINTMENT

G. F. PLUMMER, F.C.A.

The appointment of Mr. George F. Plummer as Vice-President and General Manager of Dunlop Canada Limited is announced by J. P. Anderson, President.

Mr. Plummer, a native of Montreal, brings to this important position nineteen years of diversified experience with both Dunlop Canada and its parent organization in England.

19 Saskatchewan Stores Charged

From Our Own Correspondent

REGINA — Nearly half of the 40 O.K. Economy stores operating in Saskatchewan have been charged with issuing trading stamps in violation of the Criminal Code.

Latest charges laid at North Battleford and Radisson bring the number to 19.

In Regina two stores have been charged and have had their cases remanded in Police Court to Nov. 5.

In Saskatoon, 14 are in the courts.

There is one case in Estevan.

Attorney-General R. A. Walker has said that eventually all 40 O.K. Economy stores in the province will be charged.

Company president B. H. Shelly, Saskatoon, argues that the stamps do not come within the definition in the Criminal Code, since the stamps are redeemable only in the store of issue.

The same argument has been made by O.K.'s affiliated company, **Loblaw Groceterias Ltd.**, whose Moose Jaw store is before the court on the same charge.

Non-Brand Drugs Called 'Danger'

One of the greatest dangers to the future health of Canadians:

Drug importers who are attempting to create the opinion that drugs in this country are too costly.

That's what Stanley N. Conder, general manager, Canadian Pharmaceutical Manufacturers Association, told the 45th annual general meeting this week at Montebello, Que.

"Using fallacious economic arguments and unusual examples of what they term the high cost of drugs, they are attempting to establish through public opinion, markets for imported prescription drugs which many manufacturers in this country would not handle.

"By urging people to pressure their doctors into prescribing drugs by their generic name— that is, drugs which do not have the guarantee of a reputable manufacturer, they are infringing on a basic right of the medical profession to prescribe what it knows is best for the patient," Mr. Conder said.

Canada's drug merchandising industry made an average profit of 6.5% on the sales dollar during 1958.

Of this, 2.9% was paid out in dividends or their equivalent, while 3.6% was put back into the business.

The first statistical survey of its kind in Canada's drug industry was based on a cross-section survey of 26 pharmaceutical manufacturing companies representing total net sales of $71,586,102.

Cost of materials for use in manufacturing was 33%, said Gordon Gray, immediate past-president of the CPMA.

Wages and salaries and employee benefits took another 24.9% of the sales dollar.

Excise and sales tax comprised 5.1%, and federal and provincial taxes on income accounted for 5.3%.

Other expenses, including research and development, municipal taxes, maintenance, machinery and equipment and similar expenditures, accounted for 23.7% of the sales dollar. The remaining 1.5% went to depreciation.

"The fact that almost 25% of the sales dollar was paid out in wages, salaries and benefits shows that the industry has a strong stake in employment of Canadians, and as the industry grows it will help provide even more jobs in the future," Gray said.

Gifts of $21,200 To Univ. of Sask.

Gifts totaling $21,210 have been received by the University of Saskatchewan.

They include: $11,650 for scholarships, fellowships, bursaries and prizes, $2,235 for Summer Music Festival and $7,325 for specially designated purposes.

Several business firms and other organizations, who established scholarships and other grants previously, have renewed their gifts this year.

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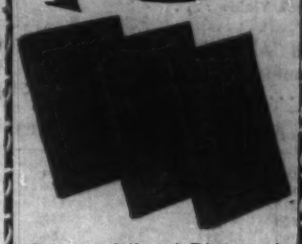

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Winter Job Picture From Coast-to-Coast

(CONTINUED FROM P. 36)

better than the same time last year.

Latest figures from DBS and federal Department of Labor places Ontario employment for September at 2.2 million, up about 2% from year ago.

Registration at NES offices through the provinces totaled 95,000 in late September, down from 118,670 in 1958.

Nearly all major centres shared in the decline.

At last year's peak of unemployment, there were 142,000 persons "without jobs and seeking work" in Ontario.

Nova Scotia

Although recent marine layoffs have distorted the Nova Scotia labor picture, outlook for winter employment is more cheerful.

Construction is active and most of the projects under way will continue through the winter. Another prop will be provided by the federal-provincial winter works program.

A plan to construct parks in all Nova Scotia counties is under consideration.

Fishing industry expects a good winter while Christmas-tree cutting is keeping woodcutters and shippers busy.

Major coal operations in Cape Breton have been fairly steady, following summer close-downs, while Inverness colliery development work has been completed and re-hiring of miners has commenced.

Employment in province's industries is normal.

In Halifax area only 3,882 workers are jobless. In October the Navy discharged more than 200 civilian workers. Of these 158 were casual maintenance men at the Halifax dockyard and in Dartmouth, across the harbor. Others in Sydney, Cornwallis and Shelbourne were affected.

New Brunswick

Employment outlook is better than a year ago in New Brunswick. The lumber cut will be up 15%. Construction will be maintained at 1958 level or slightly better and manufacturing and services will show some improvement.

Federal-provincial winter works are expected to employ a greater number of workers than a year ago.

At least one lumber company in Maine is advertising for Canadian workers.

About 2,500 New Brunswick workers helped harvest the Maine potato crop.

Registrations for employment at National Employment Service offices in Moncton and Saint John are down compared with a year ago.

Prince Edward Island

Because P.E.I. has a larger working force this year, there will be more people employed and more winter unemployment than a year ago.

Workers who might normally have obtained jobs in other provinces have elected to stay on the island.

Summerside reports some construction work to continue through winter. But Charlottetown projects such as **Royal Bank** building, nurses' residence at Charlottetown Hospital and new wing of Prince Edward Island Hospital will be completed in December.

Provincial government will participate in federal winter works program to take up some seasonal slack. Estimated unemployment peak is 8,000 of which some 2,000 will be fishermen.

Industries hardest hit by layoffs: construction and trucking.

Newfoundland

Employment outlook is brightest in five or six years due to heavy construction program in St. John's and eastern Newfoundland. Skilled workers are being imported from Quebec for masonry and other work on the new $13 million university.

Harbor development is also providing employment but this might be sporadic owing to weather.

UIC officials do not expect unemployed to go beyond a peak of 25,000 this winter. Present male registrations are 2,800 against 4,800 a year ago, when 1,184 Bell Island miners registered following temporary closures.

Paper mill employment is constant and mines are using a greater work force this year, particularly in newly developed Tilt Cove and in Labrador at Wabush and Carol Lakes.

More men fished this season to take advantage of firmer market for frozen fillets.

If logging disputes are avoided some 14,000 part-time loggers and fishermen will find work in woods camps next year.

HIGHER PRICES

Saskatchewan farmers are finding rapeseed one of the best cash crops this year, the University of Saskatchewan College of Agriculture says. Prices have been 40% higher than last year.

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These Debentures are direct, joint and several obligations of The Municipality of Metropolitan Toronto and of the thirteen Area Municipalities comprising The Municipality of Metropolitan Toronto.

Principal and semi-annual interest (May 2 and November 2) payable in lawful money of Canada at the holder's option at any branch in Canada of the chartered bank or banks to be designated in the Debentures. Sinking Fund and Instalment Debentures to be in coupon form registrable as to principal only in denominations of $1,000, $5,000, $25,000 and $100,000. Instalment Debentures to be issued in the denomination of $1,000 only.

Legal Opinion: Messrs. Clarke, Swabey, McLean & Ross, Toronto

Sinking Fund Debentures

The by-laws under which the Sinking Fund Debentures are to be issued provide for the annual deposit in a consolidated Sinking Fund of such an amount as with interest at an estimated rate of 3% per annum capitalized yearly will be sufficient to repay the Sinking Fund Debentures in full at maturity.

Principal Amount	Interest Rate	Maturing November 2	Offering Price (1)	Approximate Yield to Maturity
$ 1,249,000	6%	1964	98.50	6.35%
1,573,000	6%	1969	97.75	6.31%
282,000	6%	1974	96.75	6.34%
17,700,000	6%	1979	96.25	6.33%
835,000	6%	1989	96.00	6.30%
$21,639,000				

Instalment Debentures

Principal Amount	Interest Rate	Maturing November 2	Offering Price (1)	Approximate Yield to Maturity
$1,676,000	6%	1960-1964	99.06 (2)	6.35%
258,000	6%	1965	98.25	6.36%
274,000	6%	1966	98.125	6.34%
291,000	6%	1967	98.00	6.32%
309,000	6%	1968	97.875	6.31%
313,000	6%	1969	97.75	6.31%
197,000	6%	1970-1974	97.22 (2)	6.32%
$2,718,000				

(1) Plus accrued interest from November 2, 1959. (2) Through the piece.

We, as principals, offer these Debentures subject to prior sale and change in price if, as and when issued by The Municipality of Metropolitan Toronto and accepted by us, and subject to the approval of all legal matters by Messrs. Clarke, Swabey, McLean & Ross, Toronto.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books either with or without notice. It is expected that definitive Debentures will be available for delivery in Toronto on or about December 1, 1959.

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Price Earnings Ratios

RATIO OF MARKET VALUE TO EARNINGS OF THE 30 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE INDUSTRIALS INDEX

EARNINGS PER SHARE	PRICE Oct. 30	RATIO Oct. 30	WEEK PREVIOUS	MONTH AGO
$46.00	$823.25	17.90	17.73	18.04

Average Yields

(COMPILED BY MOSS LAWSON & CO.)

	OCT. 30 %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.38	4.35	4.24
6 Banks	3.25	3.06	3.16
18 Preferred and "A" Stocks	5.16	5.08	4.84
64 Common Industrials	3.94	3.89	3.90
26 Mining	5.16	5.27	4.94

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
Sept. 18	124	636	154	44	216	104
Sept. 25	311	400	179	113	138	99
Oct. 2	405	262	190	115	118	124
Oct. 9	295	388	166	86	161	108
Oct. 16	295	350	178	89	126	115
Oct. 23	247	407	206	82	159	111
Oct. 30	349	340	182	146	126	113

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 2	420,800	2,026,000	39,011	85,976	4,440,000
Oct. 30	466,100	1,747,000	32,257	68,049	4,750,000
Oct. 29	419,700	1,932,000	28,150	62,812	5,110,000
Oct. 28	351,000	2,168,000	37,984	104,385	5,240,000
Oct. 27	463,000	2,228,000	25,106	73,069	5,490,000

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 9	Mill-ing 2	Oils 5	Textiles and cloth-ing 7	Food and allied prod. 13	Bever-ages 10	Bldg. mater. 14	Total Indus-trials 72	Banks 7	Total Utili-ties 13	Total co's 92
*1935 to date: High	947.5	1238.1	252.0	285.5	410.5	304.8	734.4	890.5	215.9	399.1	219.8	297.8
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	68.7	56.1	68.4	64.5	60.6
1959 Monthly Figures:												
Jan.	690.9	1077.3	198.5	218.7	194.9	286.4	666.7	518.6	275.4	327.8	198.9	266.0
Feb.	674.4	1131.8	200.6	215.4	205.0	302.6	678.4	535.3	279.1	335.8	202.0	269.9
Mar.	682.7	1139.8	199.3	209.6	213.9	301.8	666.0	544.7	278.3	345.9	202.6	270.2
Apr.	688.3	1117.4	198.4	204.8	215.9	299.6	662.1	529.8	277.1	357.1	201.3	265.8
May	685.8	1109.8	211.0	200.0	215.4	292.0	670.6	526.6	271.5	370.4	204.2	267.2
June	776.4	1119.6	230.9	189.9	227.5	273.7	702.7	560.1	286.2	387.5	203.0	269.5
July	836.3	1183.7	229.9	192.9	227.5	273.7	702.7	564.6	282.0	373.7	199.8	274.6
Aug.	794.0	1169.2	232.0	193.0	230.1	264.2	702.4	564.6	282.0	373.7	199.8	274.6
Sept.	741.3	1086.0	221.2	176.7	211.4	251.7	686.7	523.0	261.6	347.6	188.9	255.4
1959 Weekly Figures:												
Oct. 1	758.5	1096.3	216.3	173.2	211.6	252.6	653.6	519.2	260.0	361.7	188.5	255.2
Oct. 8	757.2	1090.2	203.7	169.0	207.7	248.3	651.7	515.4	257.7	358.1	187.4	253.0
Oct. 15	754.0	1092.4	202.6	165.5	203.1	250.7	656.9	511.4	258.9	359.1	187.4	252.4
Oct. 22	732.4	1085.5	208.7	163.1	202.9	239.8	645.1	507.7	254.0	351.1	186.2	249.5
Oct. 29	732.5	1099.4	206.3	171.0	203.2	233.9	655.0	517.6	258.4	343.4	187.0	252.3

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX

	20 Indust.	30 Golds	15 B.M.	15 W.O.
Nov. 3	513.10	87.09	168.93	107.88
Oct. 30	510.87	86.85	169.16	107.60
Oct. 29	508.83	86.75	168.91	106.06
Oct. 28	508.92	86.97	169.55	105.23
Oct. 27	509.06	87.30	168.83	102.76
Month Ago	511.31	86.94	163.26	100.73
Year Ago	499.15	81.42	175.57	134.98
1959 High	555.65	98.13	192.15	145.22
1959 Low	489.77	84.80	157.19	99.22

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust.	30 Com.	10 Prprs.	15 Golds
Nov. 2	144.1	301.0	248.7	429.6	84.14
Oct. 30	142.6	300.9	248.1	426.4	83.95
Oct. 29	142.3	302.0	248.8	427.2	84.40
Oct. 28	141.7	300.3	247.4	423.7	84.43
Oct. 27	142.0	299.3	246.9	423.2	84.35
Mon. Ago	154.4	293.8	244.3	417.2	85.27
Year Ago	148.6	287.9	241.5	442.6	78.06
1959 High	162.1	334.4	274.4	494.8	92.77
1959 Low	141.6	285.9	238.0	403.4	81.21

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 3	646.46	153.74	87.39	212.35
Oct. 30	646.60	154.50	87.47	212.86
Oct. 29	645.11	155.15	87.41	212.74
Oct. 28	643.60	155.61	87.41	212.57
Oct. 27	642.18	156.33	87.54	212.54
Month Ago	637.01	157.82	88.24	212.23
Year Ago	545.16	149.01	83.13	188.78
1959 High	678.10	173.56	94.70	224.35
1959 Low	574.46	150.28	85.05	200.09

Grain Prices

Winnipeg Futures

week to Nov. 2, 1959

Crop year from Aug. 1, 1959 High	Low		High for Week	Low for Week	Close Nov. 2
		Oats—			
.89	.75	Oct.	.89	.82½	.85½
.86½	.73½	Dec.	.80½	.78½	.80½
.80½	.74½	May	.80½	.78½	.80½
.78½	.74½	July	.78½	.77½	.78½
		Barley—			
.98½	.96½	Oct.	.98½	.97½	.98½
.99½	.94½	Dec.	.99½	.99	.99½
1.02½	.96½	May	1.02½	1.01½	1.02½
1.01½	.97	July	1.01½	1.00½	1.00½
		Rye—			
1.21½	1.09	Oct.	1.21½	1.18½	1.18½
1.22½	1.11½	Dec.	1.22½	1.19½	1.21
1.27½	1.15½	May	1.27½	1.24½	1.26½
1.25½	1.17	July	1.25½	1.23	1.23
		Flax—			
4.12	3.21½	Oct.	4.12	3.92½	3.92½
4.02	3.15½	Dec.	4.02	3.90½	3.97½
3.95	3.19½	May	3.95	3.83½	3.92
3.80½	3.43½	July	3.80½	3.70½	3.79

Chicago Futures

Week to Nov. 2, 1959

Crop year from Aug. 1, 1959 High	Low		High for Week	Low for Week	Close Nov. 2
		Wheat—			
2.01½	1.94½	Dec.	2.01½	1.99½	2.00½
2.05¾	1.98½	Mar.	2.05¾	2.03¾	2.04½
2.02	1.96½	May	2.02	2.00¼	2.01½
1.85¼	1.83	July	1.84½	1.83	1.83¼
		Wheat (1960)—			
1.87½	1.84½	Sept.	1.86½	1.85¼	1.85¼
		Corn—			
1.13½	1.07½	Dec.	1.11½	1.09½	1.09½
1.17¼	1.12½	Mar.	1.15¼	1.13¼	1.14½
1.18½	1.15¼	May	1.17¼	1.16¼	1.16¼
1.19½	1.17	July	1.19¼	1.18¼	1.18½
1.18¼	1.14½	Sept.	1.15¼	1.15¼	1.15¼
		Oats (new)—			
.76¼	.68¼	Dec.	.76¼	.74½	.76¼
.76½	.70	Mar.	.76¼	.74¼	.76¼
.75	.68½	May	.75	.72½	.74½
.68¼	.63½	July	.68¼	.65¾	.68¼
.68¼	.66¼	Sept.	.68¼	.66¼	.68¼
		Rye—			
1.36¼	1.30½	Dec.	1.36¼	1.34½	1.36
1.41½	1.32¼	Mar.	1.40½	1.37¼	1.38½
1.40¼	1.31½	May	1.39¾	1.36	1.37¼
1.34½	1.23¼	July	1.34½	1.31	1.31½
		Soybean—			
Nov.			2.20¼	2.14½	2.19½
Jan.			2.24½	2.19½	2.24½
Mar.			2.28¼	2.23¼	2.28½
May			2.32½	2.25½	2.29½
July			2.30	2.26½	2.30¼

Winnipeg Cash

	High Low For Week Nov. 2		High Prev. Week	Low Prev. Week
	Oats—			
2 C. W.	.84½	.83½	.84½	.82½
3 C. W.	.81½	.79½	.81½	.76½
	Barley—			
1 Feed	.96½	.95½	.96½	.95½
2 Feed	.95½	.94½	.94½	.93½
1 Malt	1.05½	1.03½	1.04½	1.03½
	Rye—			
1 C. W.	1.20½	1.17½	1.19½	1.15½
2 C. W.	1.20½	1.17½	1.19½	1.15½

Chicago Cash

	High Low For Week Nov. 2		High Prev. Week	Low Prev. Week
	Corn—			
2 Yell.	1.11	1.10½	..	..
	Oats—			
H. W.	.78	.78	...	...

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 3, 1959

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual	70	72
2½	June 1967/67	82½	83½
3½	Jan. 1975/78	79	81
3½	Mar. 1966/68	79	81
3	Dec. 1960	97½	98½
3	May 1961	96½	96½
3½	May 1970	85¼	87
3½	Oct. 1979	75	77
2½	Apr. 1960	99½	99½
3	Dec. 1961	94½	94½
3½	Sept. 1965	89½	91
4½	Sept. 1972	88	89½
4½	Sept. 1983	85½	87
3	Dec. 1959	99½	100
4	Jan. 1963	96	97½
5½	Oct. 1960	100½	100½
3½	Oct. 1962	100½	100½
Cdn. Nat. Railways:			
3	Jan. 1961/66	85½	87½
2½	Sept. 1964/69	79½	81½
2½	Feb. 1981/63	90½	92
2½	Jan. 1964/67	83	84½
2½	Feb. 1972/74	81	83
2½	Feb. 1981	79½	80½
5	May 1977	93	94½
Int. Bank of Reconstruct. & Development			
3½	Apr. 1965	86	88
3½	June 1969	82½	84½
C'wealth of Australia:			
4	Nov. 1970	85½	87½
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4½	July 1976/78	80	83
British Columbia:			
3	June 1964	86	88
Pac. Gt. East. Rly. Gtd.:			
4½	Dec. 1987	81	84
Man. Hydro:			
5	July 1975/77	88½	91½
Manitoba:			
3	Oct. 1965	83½	85½
Nova Scotia:			
4½	Dec. 1975/77	88	91
5	June 1975/77	84	87
New Brunswick:			
4½	Oct. 1968/71	83	85
5	Oct. 1974/77	87	90
Ontario:			
4½	Dec. 1962/63	94	96
4	Jan. 1966/68	87½	89½
3	Nov. 1963/65	85	87
5	Jan. 1977/79	89½	92½
5½	Aug. 1977/79	96½	99
Ont. Hydro:			
4½	Nov. 1964/67	88½	91
5	Apr. 1974/77	90	92½
4	Jan. 1974/76	80	82
5½	July 1979	98	100
Quebec:			
4½	Jan. 1974/77	86	88
Quebec Hydro Commission:			
5	Nov. 1980/82	88	90
Saskatchewan:			
4½	Nov. 1974/76	81	84
3½	Oct. 1962/65	86	88
Newfoundland:			
4½	July 1962/64	91	93
5½	Feb. 1977/79	85	88

(Advertisement)

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Market Comment

What stocks and bonds are doing and what prominent observers say

If anyone ever doubted the influence of the big New York market on Canadian stock market activity they only have to look at Tuesday's record. With the New York market closed that day for state and municipal elections total turnover on the Toronto exchange shrunk to just 999,000 shares. That is the smallest daily volume in over eight years.

Canadians are still loath to make any major market commitments in the absence of daily trend evidence on the big New York board. The fact that there could be breaks at almost any time in several big uncertainties overhanging the U.S. market — like the steel strike — tends to make Canadians even more cautious than usual at this time.

"Once the news is general the play is over." This old market axiom was clearly illustrated again this week when boiling gas stocks cooled off rapidly following the Federal Power Commission's favorable weekend announcement on gas imports from Canada.

* * *

GEORGE C. ARMSTRONG; Canadian Business Service (Toronto)

The market behavior is more typical of the exhaustion phase than of the early stages of a bear market. A bear market is really what we have had in Canadian stock prices since Aug. 8, 1956, when the CBS composite index stood at its all-time high of 170.76, a level 18.5% above that which now prevails.

In the past three years a good deal of value has been added to Canadian equities through retained earnings and depreciation.

That our earnings recovery has not attained 1956 levels is due to a number of factors:

- **The premium** on the Canadian dollar which is hurting both our export business and our domestic manufacturing industries.
- **Lower commodity prices** which principally affect certain of our metal producers, agriculture and forest products industries.
- **Increasing competition** which is in evidence in all industries.

Thus the earnings recovery that we are experiencing is a very uneven one. It is evident in the service and retail trades, the utilities and the steels where foreign competition is not unduly severe. Most other lines are suffering.

Earnings this year, overall, will probably advance about 15% compared to last year, but the recovery will be a very uneven one.

Somewhere along the line it becomes necessary to admit that this is not a low-cost economy. This implies the necessity to get the dollar premium down and raise the tariff on certain hard-pressed Canadian industries.

That foreign capital is prepared to come into Canada and buy (or offer to buy up) our companies—**Ford of Canada, Halifax Insurance, Canada & Dominion Sugar, Standard Paving** — is evidence that it is expected that the Canadian economy will continue to grow and eventually prosper.

European financial interests, although currently preoccupied with putting money into Germany, France and the U.K., are none the less showing a renewed interest in Canada although in a leisurely fashion.

They are looking at book values and future growth rather than current earnings and perhaps this is what Canadian long-term investors should be doing. Certainly this is the case after the market has had a protracted sell-off.

Further extension of the recovery is likely to be uneven and to meet with profit taking. At the same time, the market undertone has definitely improved.

* * *

KIPPEN & CO. (Montreal)

In the past few weeks the market has done well and there has been a fair recovery in the general level. There has been particular strength in several groups, such as the newsprints and others. The market is contending with more than the usual quota of "ifs" and "ands". The widespread U.S. steel strike is casting its shadow over both Canada and the U.S. and is having a depressing effect.

In the last three months a change in psychology and mood has taken place in the market. The change in sentiment is toward a more conservative appraisal of the outlook for increased profits and dividends. This change of attitude is not altogether surprising in view of the puzzling cross-currents and long-term question marks which have appeared on the scene in recent months.

It has been said with some reason that the market as a whole got ahead of earning power and was influenced too much by growth and inflationary psychology.

While the present is a time for caution, nevertheless there seems a fair probability of further improvement in market sentiment and further strength in the general market level.

* * *

IAN FRASER: T. G. Clark Ltd. (Toronto)

For the past year there have been booming and active stock markets in the U.S., U.K., and West Germany.

The Canadian stock markets in comparison have been relatively dull.

The rest of this article is concerned with foreign investments in Canadian securities, which, of course, is a principle factor in determining whether our market is to be a bullish and active one.

As far as the U.K. is concerned, during 1959 to date there has been a net dis-investment in Canadian equities.

There is reason to believe, however, that the U.K. selling has stopped and the tide has turned. The U.K. industrial index was up 50% in the past year; Blue Chips are selling at approximately 11 times earnings and the average yield is about 4%; investment in U.K. equities is now considerably less attractive; the English are beginning to look to Canada once again.

The U.S. investors' attitude is substantially different. Whereas the English are interested in long-term, high-grade investments, the Americans prefer the shorter-term, more speculative securities, particularly in the natural resource industries.

Can we expect more foreign buying in the next six months?

As far as the U.K. is concerned the answer is probably in the affirmative and would apply to both our industrial and natural resource equities.

Of course, the most important foreign buying is from the U.S. and is directed particularly in other than industrial securities, that is to say for the most part in mining, oil and gas companies.

There is nothing yet to indicate that we could expect sustained interest in our mining companies.

On the other hand and despite the current bearish implications in the New York market there could be a substantial increase in interest in our oil and gas issues.

First of all these stocks are relatively cheap; secondly as a result of the Borden Commission recommendations we could expect a continuing increase in production of Canadian crude oil and finally expanding markets for our natural gas.

Company Report

Gas

INLAND NATURAL GAS CO., Vancouver, consolidated net profit for the first full operating year ended June 30, 1959, was $147,271. For the previous year, net profit amounted to $53,877.

The income account does not include revenue from sale of gas at Prince George. All such revenue was credited to the cost of the St. George plant. A temporary transmission line was installed into the city in the fall of 1958. By that time, most residents had arranged fuel requirements and cold weather prevented service installation.

Company's natural gas rates compare favorably with other fuels in its entire service area. President J. A. McMahon expects that the company will continue to capture the market in new construction and replacements.

Until the spring of 1959, more than a normal amount of construction was in progress. This included attaching over 10,000 customers, a distribution system in Chetwynd, a peak shaving plant at Nelson, extension of the system south of Kelowna and south of Kamloops, central depot at Penticton, stabilizing right-of-way. Reduction in personnel has since taken place. This together with operating economies should be reflected in the next annual report.

Negotiations are underway for the supply of natural gas to the new $50 million pulp mill of **Canadian Chemical & Cellulose Ltd.** at Castlegar.

Plants of **Consolidated Mining & Smelting Co.** converted to natural gas went on stream early in 1959. While very little revenue was received in the year ended June 30, 1959, it is expected to be "substantial" in the coming year.

Capital expenditures for the 1959-60 fiscal year are estimated at $750,000.

Wholly-owned subsidiary **Canadian Northern Oil & Gas Ltd.** sold four billion cu. ft. of gas to **Westcoast Transmission Co.** and 440 million cu. ft. to **Peace River Transmission Co.** from its share of reserves in South Pouce Coupe field.

Thirteen wells have been drilled at a new field, Jedney-Bubbles in which Canadian Northern has a 3.75% interest. It is hoped that the field will be producing by November, 1959.

Efective Jan. 1, 1960, Westcoast Transmission will increase price of gas purchased by approximately 3c per 1,000 cu. ft. This increase will improve returns of Canadian Northern and **St. John Gas & Oil Co.**

Total sales of gas by **Peace River Transmission Co.** increased 18% to 1.3 billion cu. ft. **Grande Prairie Transmission Co.** sales of gas fell to 603 million cu. ft.

CONSOL. INCOME ACCOUNT

Years Ended June 30:	1959	1958
Net oper. income	$1,770,074	$831,181
Add: Inv. income	2,165	139,585
Prof. sale f.a.	...	3,897
Net earnings	1,772,239	974,663
Less: Deprec. & depl.	308,298	308,182
Interest (net)†	1,321,578	507,260
Amort. disc. & exp.	44,249	67,359
Inc. tax	50,843	33,005
Net profit	147,271	83,877
Less: Pref. divds.	250,000	250,000
Deficit for year	102,729	166,123
‡After charge to constn. of	37,419	781,514
Earnings per Share and Dividend Record:*		
	$0.59	$0.36
5% Pref.	1.00	1.00
Paid	d0.04	d0.08
Common		
None paid.		
*Based on shs. o/s at the year end.		
Shares o/s at June 30:		
5% Pref., $20 par	250,000	250,000
Common, $1 par	2,341,300	2,341,300

CONDENSED CONS. BALANCE SHEET

As at June 30:	1959	1958
Cash	...	$131,387
Mkt. sec.†	$324,613	199,940
Accts., etc., rec.	489,631	257,546
Inventories	34,279	464,907
Prepaid exp.	848,623	1,053,780
Total curr. assets	29,730	29,929
Mtge. rec.	1,332,768	1,871,621
Oil & gas rts.‡	746,152	503,698
Mkt. development	28,784,547	26,149,430
Fixed assets*	2,136,566	2,206,484
Misc. assets	34,278,415	31,814,003
Total assets	2,280,913	...
Due bank	983,815	881,410
Accts., etc., pay.	3,264,728	881,410
Total curr. liabs.	88,771	31,557
Def. inc. tax	22,170,500	22,170,500
Funded debt	7,341,200	7,341,280
Capital stock	1,156,714	1,156,588
Prem. on shs.	256,402	232,667
Earned surplus	...	200,000
†Market value	391,504	432,932
*After deprec. of	147,288	87,171
‡After depl. of		
‖Included in misc. assets in 1958.		
Working capital	a3,416,165	172,370
aExcess of curr. liabs. over curr. assets.		

Mutual Funds

	Divd. pd. cents	Bid	Ask.
All-Cn. Com. Fd.	21.836(29.37)	7.54	8.20
All-Can Div. Fd.	24+1(24)	6.08	6.61
American Growth	New 13(14)	7.34	8.00
Assoc. Investors	24½(33)	8.14	8.22
Can. Invest. Fund	38(34)	8.77	9.62
Canafund	125(125)	35.50	37.28
Champion Mut. Fund	15(30)	5.34	5.86
C'wealth Inter.	29(30)	8.03	8.82
Corporate Inv.	32½(34)	8.75	9.58
Diversified Inc. B	10.8(11.6)	3.90	4.30
Dom. Equity	40+12(40+12)	14.60	14.93
Dom. Comp. Fund	†30	9.47	9.85
Do. nonres.	†30	9.42	9.80
Dominion Funds	†30	9.20	9.57
First Oil & Gas		4.14	4.53
Group Accum.		5.39	5.89
Grouped Inc. (n.)	18.7(20)	3.75	4.10
Growth Oil & Gas		6.55	6.55
Invest. Growth	10.5(6.5)	6.00	6.49
Investor's Mut.	33(33)	10.59	11.77
Leverage Fund	8(17)	6.51	7.15
Mut. Acc. F.	18(23.42)	7.27	7.95
Mutual Bond		5.70	5.97
Mutual Income	36.16(22.72)	4.83	5.39
North American	†14	8.45	9.18
Regent Fund Ltd.	6(20)	5.59	6.14
Sav. & In. Mut.	18+1.5(17.5)	5.11	5.58
Sup'vised Amer.	9(12)	6.95	7.02
Sup'vised Executive (1955)		36.90	...
Sup'vised Executive (1956)		30.20	...
Sup'vised Executive (1957)		5.18	...
Sup'vised Executive (1958)		5.52	5.77
Sup'vised Executive (1959)		1.75	1.77
Sup'vised Gr'th Fund	(3)	3.86	3.90
Sup'vised Inc. Fund	12(17)	15.40	16.50
T.V. Electronics	24(a76⅔)	5.45	5.89
Timed Invest.	12(22)	29.30	...
Trans-Can. A	53.6(97)	29.00	...
Do. B	91(95.8)	5.80	6.35
Do. C	18(20)	14.25	15.48
United Accum. Fund	24(23)		

aPaid or payable in 1959, total paid in 1958 in parentheses.
†Including initial.

Output, Profit Climb at Landa

Landa Oil Co. reports a net profit of $35,651 in the nine months ended Sept. 30, 1959. A company statement says that this is 50% ahead of the corresponding figure last year which is not revealed.

Gross revenue from production in the latest period was $330,482, ahead from $220,725 in the same period last year.

Majority of Landa's land interests are in the U.S. But through the acquisition of **Souris Valley Oil Co.** on a 1-for-25 share basis earlier this year, it now holds small interests in western Canada.

Canadian Auto Production

	Week Ending Oct. 31	Same Week 1958	Year To Date 1959	Year To Date 1958	% Change To Date
CARS					
General Motors:					
Buick	269	158	8,244	11,336	
Chevrolet	1,143	929	63,996	58,561	
Oldsmobile	287	33	13,214	11,641	
Pontiac	1,285	694	52,015	43,848	
	2,984	1,814	137,469	125,386	+10
Ford:	...	97	1,610	1,622	
Edsel	901	985	43,578	43,736	
Ford	83	84	5,148	4,526	
Mercury	598	535	27,842	20,639	
Meteor	95	...	4,212	...	
Monarch	1,677	1,701	82,390	70,523	+17
Chrysler:	83	161	4,891	2,642	
Chrysler	24	25	1,033	842	
Desoto	405	496	16,801	17,088	
Dodge	314	458	13,652	15,590	
Plymouth	826	1,140	36,377	36,162	....
Studebaker-Packard:	132	124	7,124	3,029	+135
Studebaker	5,619	4,779	263,360	235,100	+12
Total cars					
TRUCKS	472	361	27,349	20,381	
General Motors	303	248	15,254	13,571	
Ford	138	150	5,474	5,276	
Chrysler	...	...	11,278	8,312	
International	913	759	59,355	47,540	+25
Total trucks	6,532	5,538	322,715	282,640	+14
Total cars, trucks					

Source: Canadian Automobile Chamber of Commerce.

Construction risks require professional insurance counsel

The time to insure construction projects is before the first shovel of earth is turned—before you give the go-ahead on your building program. This is attested by the experience of owners, builders, contractors, architects and engineers.

Professional insurance counsel is required. Informed analysis of construction risks, drafting of contract specifications regarding insurance, arrangement of proper coverages including bid and performance bonds—these important services can be as technically demanding as the securing of property title by your legal advisors or financing by your bankers.

Marsh & McLennan's qualifications in this field are evidenced by our arrangement of insurance for much of today's major construction across the country. Our services include not only the design, purchase and administration of coverages but loss adjusting, also fire and accident prevention and rate engineering that assures the lowest possible insurance costs.

We invite your inquiry.

MARSH & McLENNAN LIMITED

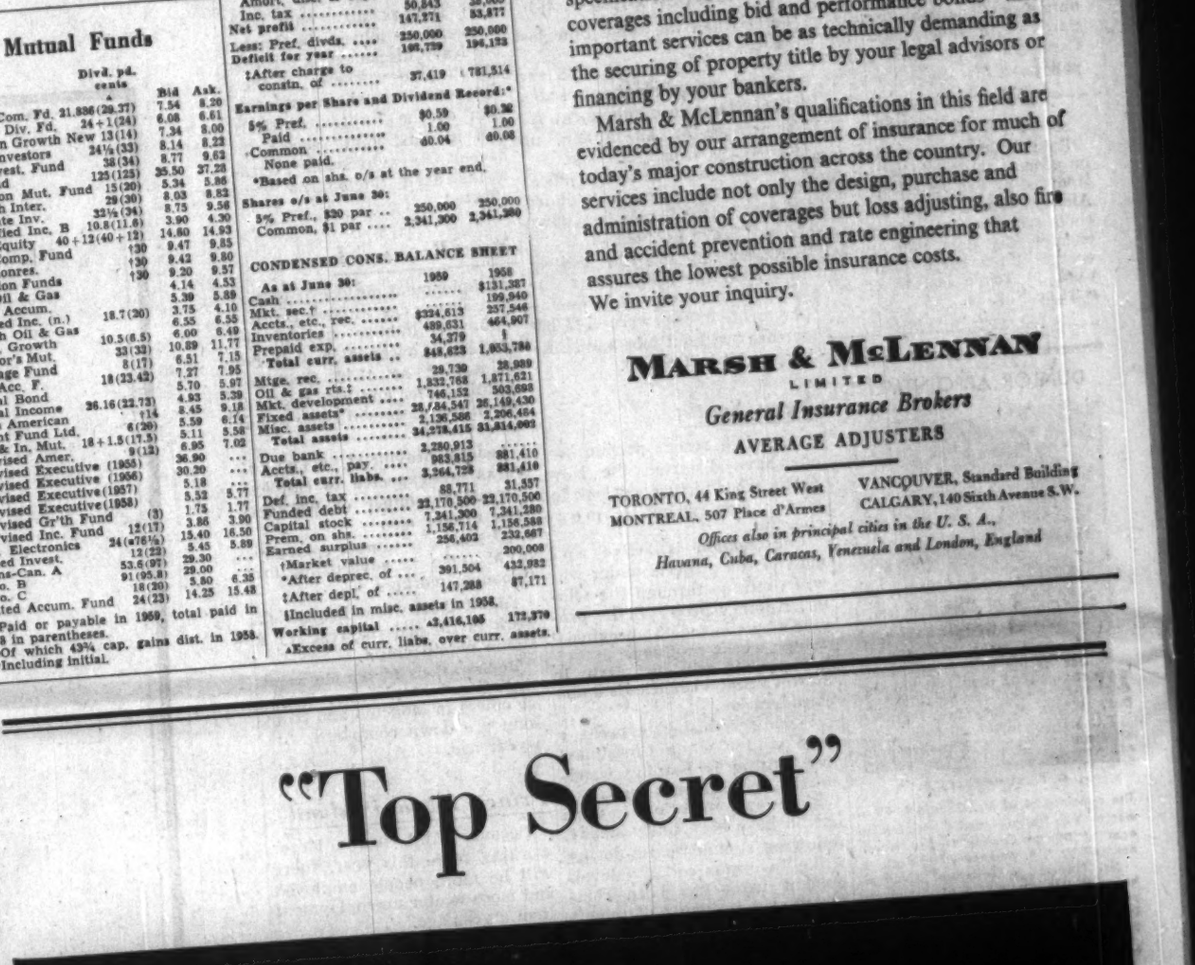
General Insurance Brokers

AVERAGE ADJUSTERS

TORONTO, 44 King Street West
MONTREAL, 507 Place d'Armes
VANCOUVER, Standard Building
CALGARY, 140 Sixth Avenue S.W.

Offices also in principal cities in the U. S. A., Havana, Cuba, Caracas, Venezuela and London, England

"Top Secret"



There goes one of our most impressive orders—and we can't talk about it.

In the interests of world security, we must keep this particular feather *under* our corporate cap. But this much can be said—Phillips is proud to have won so large and important a contract in the face of the stiffest international competition, and to be playing a part in North America's Defence Program!

Phillips Electrical Company Limited
WIRES CABLES

Phillips Wires and Cables is one of Canada's major cable manufacturers. Located at Brockville, with factories in Vancouver, Montreal, Brockville and Halifax. A Canadian firm established 1889.

3913

DIVIDEND NOTICES

BANK OF MONTREAL

FOUNDED 1817

DIVIDEND No. 281
EXTRA DIVIDEND No. 282
ANNUAL GENERAL MEETING

NOTICE is hereby given that a DIVIDEND of FORTY CENTS per fully paid share for the current quarter, and an EXTRA DIVIDEND of TWENTY-FIVE CENTS per fully paid share for the year ending 31st OCTOBER, 1959, upon the paid-up Capital Stock of this Institution, have been declared, both payable on and after TUESDAY, the FIRST day of DECEMBER next, to Shareholders of record at the close of business on the 4th day of NOVEMBER, 1959; shares not fully paid for by 4th NOVEMBER to rank for the purpose of the said dividends to the extent of the payments made on or before that date on the said shares respectively.

THE ANNUAL GENERAL MEETING of the Shareholders will be held at the Head Office, 119 St. James Street West, Montreal, on MONDAY, the SEVENTH day of DECEMBER next.

The chair will be taken at 11 o'clock a.m.

By Order of the Board.

R. D. MULHOLLAND,
General Manager.

Montreal, 27th October, 1959.

THE ROYAL BANK OF CANADA

Dividend No. 289 and Bonus

Notice is hereby given that a dividend at the rate of **fifty-two and one-half cents per share** for the current quarter, and a **bonus of thirty cents per share** for the year ending November 30, 1959 upon the paid-up capital stock of this bank have been declared payable at the bank and its branches on and after Tuesday, the 1st day of December, 1959, to shareholders of record at the close of business on the 4th day of November, 1959.

By Order of the Board,

K. M. SEDGEWICK,
General Manager.

Montreal, October 27, 1959.

DONOHUE BROTHERS LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of $0.15 per share has been declared on the outstanding ordinary shares of the Company.

The said dividend will be payable on December 1st, 1959 to shareholders on record as at the close of business on November 16th, 1959.

By Order of the Board.

PERCY AUGER, C.A.
Secretary.

DOMINION

DIVIDEND No. 111

Notice is hereby given that a dividend of thirty-one and one quarter (31¼) cents per share has been declared on the outstanding common shares of Dominion Stores Limited payable December 15, 1959, to shareholders of record at the close of business on November 14, 1959.

By Order of the Board

N. H. SHAW
Secretary

Dated at Toronto, Oct. 20, 1959.

SASKATOON PIPE LINE COMPANY LIMITED

NOTICE OF DIVIDEND

NOTICE is hereby given that a Dividend of Twenty-five cents per share has been declared on all the outstanding shares of the Company, payable December 1, 1959, to shareholders of record at the close of business on the 16th of November, 1959.

By Order of the Board.

J. W. WHITAKER,
Secretary.

Calgary, Alberta,
October 28, 1959.

OKANAGAN HELICOPTERS LTD.

DIVIDEND NOTICE

Notice is hereby given that the quarterly dividend on the 6% cumulative, redeemable, convertible preferred shares of the company will be paid on December 15th, 1959 to shareholders of record at the close of business on November 13th, 1959.

BY ORDER OF THE BOARD,

Ian Kennedy,
Secretary.

November 2nd, 1959
VANCOUVER, B.C.

DIVIDEND NOTICES

BANQUE CANADIENNE NATIONALE

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of four per cent (4%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1959. This dividend, bearing number 275, will be payable at the Main Office or at the branches of the Bank, on or after the first day of December, 1959, to shareholders of record on October 30, at the close of business.

SPECIAL DIVIDEND OF 3.50%

A special dividend of 3.50% has also been declared on the paid-up capital of the Bank. This dividend will be payable on the 15th day of December to shareholders of record on October 30.

Shareholders having subscribed to new shares will rank, for the purpose of these dividends, in proportion to the amount they will have paid as of October 30.

By order of the Board.

ULRIC ROBERGE,
General Manager.

VIRGINIA DARE LIMITED

DIVIDEND NOTICE
PREFERENCE SHARES

A dividend of thirty-one and one-quarter Cents (31¼c) per share on the 5% Cumulative Redeemable Preference Shares of the Company has been declared for the three months ending December 1, 1959, and payable on December 1, 1959, to Shareholders of record on November 16, 1959.

By Order of the Board,

G. I. TAYLOR,
Secretary.

Toronto, Ontario,
October 30, 1959.

Morgan's

HENRY MORGAN & CO. LIMITED

DIVIDEND NOTICE

The Board of Directors today declared the following dividends for the quarterly period ending November 30th, 1959:

4¼% PREFERRED STOCK — a dividend of $1.19 per share, payable December 1st, 1959, to shareholders of record at the close of business on November 7th, 1959.

COMMON STOCK — a dividend of 25 cents per share, payable December 1st, 1959, to shareholders of record at the close of business on November 7th, 1959.

C. F. TOPP,
Secretary-Controller.

October 30th, 1959.

INTERPROVINCIAL BUILDING CREDITS, LTD.

COMMON DIVIDEND NO. 29

NOTICE is hereby given that an interim dividend of .12½c per share has been declared on the Common Shares of the Company in respect of the quarterly period ending November 30, 1959, payable December 1, 1959, to shareholders of record at the close of business on November 12, 1959.

By Order of the Board.

E. M. HENRY,
President.

ROBINSON, LITTLE, & COMPANY, LIMITED

WINNIPEG — MANITOBA

CLASS "A" DIVIDEND NO. 52

NOTICE IS HEREBY GIVEN that a dividend of Twenty-five (25) cents a share has been declared on the Class "A" stock of the Company payable on the 30th November, 1959 to shareholders of record at the close of business on the 14th November, 1959.

By Order of the Board,

JACK L. MacDONALD,
Secretary-Treasurer.

Winnipeg, Manitoba,
October 27th, 1959.

Silverwood Dairies, Limited

Class "A" Dividend No. 53

Notice is hereby given that the regular quarterly dividend of Fifteen cents (15c) per share has been declared on the outstanding Class "A" shares of the company, payable January 2nd, 1960, to shareholders of record as at the close of business on November 30th, 1959.

Class "B" Dividend No. 49

Notice is also given that the regular quarterly dividend of Fifteen Cents (15c) per share has been declared on the outstanding Class "B" Shares of the Company, payable January 2nd, 1960, to shareholders of record November 30th, 1959.

By Order of the Board,

L. R. GRAY,
Secretary.

London, Ontario,
October 28th, 1959.

CANADIAN OIL COMPANIES LIMITED

WHITE ROSE

Notice is hereby given that dividends in the amounts per share set out below have been declared payable January 2, 1960 to shareholders of record at the close of business December 2, 1959, on the following shares of Canadian Oil Companies, Limited:

8% Cum. Pref. $2.00
5% Cum. Redeem. Pref. . 1.25
4% Cum. Redeem. Pref. . 1.00

By Order of the Board.

Douglas Robinson,
Secretary.

Toronto, October 28, 1959.

REEVES MACDONALD MINES LIMITED

Notice of Dividend No. 7

Notice is hereby given that an interim Dividend of Twelve and one-half cents (12½c) per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of December, 1959, to shareholders of record at the close of business on the 21st day of November, 1959.

By Order of the Board,

J. WHITEHOUSE,
Secretary.

Vancouver, B.C.
October 26th, 1959.

Market Bid and Ask Quotations

Montreal & Toronto

Nov. 3, 1959

	Bid	Ask
xAbacus	27½	30
Abitibi	37½	37½
Do p	22½	23½
Ac-Atl	9½	9½
Do A	18½	19½
Do p	92	96
xAc Ur	10	10½
xAcme	21	22
xAdvoc	270	280
Ag-S	16½	17
xAgnico	56	58
xAjax	61	75
xAkaite	41	44
xAlba	7	8
xAlta D	295	300
Do vt	230	235
Do w	125	135
Alt Gas	27½	27½
xAP Con	42	46
Alg	13½	14
Alg C	19½	19½
Do p	61½	66
Do C w	680	725
Algma	37½	37½
Algn	8½	9
Do p	18½	19
xAll R	21	24
xAlmin	260	265
Alutol	30	30½
Do 1 p	20½	21
Do 2 p	42½	43
xA-Lar	23	25
xA Rare	8	8½
xAm L	10	10½
xA Nep	65	68
xAnac	58	62
Analog	6½	7
Do w	275	300
xAnch	13	14
Ang Am	660	750
Ang-C Tel	40	40?
A Pip p	48	50?
Ang Hu	11½	11½
xAng R	20	23
xAnsl	15	16
Anthes	35	39
Anthes Bp	..	98
xArea	80	94
Argus	31½	31½
Do 240p	65½	67
Do 250p	46	47
xArjon	8½	9½
xAsama	96	105
Ash A	10	11½
Do B	13½	13½
xAsh T	6½	7
Do A	92	..
Do B	8	8½
Assoc	45	46
Do new	3	7
Atl A	10½	11
Do p	16½	17½
xAt C&C	240	250
Atlas	26½	26½
xAt Yk	7	8½
xAt-Ruf	12	14
xAubel	2½	3
xAumac	10½	11
xAumaq	6½	8
xAunor	265	270
Aut Et	29	32
Aut F A	7½	8
Do B	340	350
xAvilla	2	2½
xBly SA	795	800
Do p	19	19½
Do 5%	19½	20
xBanff	101	110
xBnkno	18	22
xBnkfld	8	8½
Bk Mtl	55	55½
Bk NS	70	70½
Banq Can	51½	52
Barb-E	58	61
xBrelna	380	..
xBarnat	133	135
xBary E	54	57
xBasco	82	85
xBase M	12½	13
xBaska	11	12
xBata	5	6
Ba In	5	6
Bath A	41½	42
Do B	27½	29
xB-Duq	18	20
Beatty	8½	9
xBeav L	13	14
B Lum	23½	24
Do A	17	17
Do pr	..	28
xBelch	80	83
Bell	40?	40½
xBellet	170	173
xBthlm	85	90
xBevcn	15	18
xBibis	9	9½
xBicrft	62	65
xBidcop	10	11
Bilt	7	8½
Do p	13	14
xBl Bay	8½	10
Bl Rib	19½	..
Do p	61	..
xBoisvlt	2½	3
xBordui	6	7
xBouzn	57	59
Bow p	41	42
Do 5½ p	46	46½
Bow-Mer	45½	46
Bowat	8½	9
Bowes	28	35
xBoymr	7½	8½
xBrirn	580	585
xBralsa	60	65
Brazil	5½	5½
Do p	20	21
Br T	20	21
Do p	45	46
Bright	43	46
Do p	20½	25
xBritalt	245	260
BA Oil	33½	34
BCE 4 p	69½	70
Do 4½ p	36	38
Do 4½ p	38½	41
Do 4½ p	81½	82½
Do 5 p	44½	45½
Do 5½ p	49	49½
BC For	122	124
BC P A	14½	16
Do B	14½	15
BC Pow	34	34½
BC Phone	40	40½
Brooke p	17	19½
xBr Reef	47	49
Brown	11½	11½
Bruck A	11½	12½
Do B	275	325
xBrnhrst	2	2½
xBrnsmn	2	2½
xBrnsk	230	270
xBufad	10½	11½
xBuf A	150	160
Do RL	6	7½
Bld Prd	28?	29½
Bull A	61	61
Do B	54	61
xBunk H	7	8½
Burlton	10½	10½
Burns	11½	12
Burr A	6	6½
xCable	12	13½
xCdmet	15½	16
xCalalt	52	54
Cal Ed	22½	23½
Cal Pow	96	97
Do p 5	..	99
xCaly C	350	..
xCalvert	45	48
xC Chib	645	655
C Red L	11½	12½
Canada		
xC Bd	425	425
C B B	87	90
C Cem	39	39½
Do p	..	26½
CCC St	14	14
C Foil	20	23½
Do A	23½	23½
C Fnd A	20	..
C Fnd	..	12
CI Fnd	26	26½
Do 4½	85	86
C Life	200	..
C Mach	10	15
C Malt	53½	57
Do p	24½	34½
xC O Lds	122	125
Do w	31	39
C P A	49	49½
Do B	46	47½
C Perm	58	58½
C Saf 4 p	87	87½
xCSO w	65	70
xCS Pet	345	350
CSL	40½	42½
Do p	11½	12
C Wre A	100	..
Do B	10½	11½
Canadian		
xC Ast	6	7½
Cdn Avi	15½	17
C Bake	6	7
C Bnk C	57½	57½
C Br	35½	36
Do p	35½	40
CB Al	14	15
Do A w	62?	64?
Do B w	60?	66?
C Can A	13½	14½
C Cel	20½	20½
Do $1	15½	17½
Do $1.75	29	30½
C Chem	6½	7
xC Chief	108	110
C Coll	7½	7½
Do p	70	72
C Convrt	250	255
Do B	450	..
xC Curt	200	210
xC Dev	430	435
C Drn S	12½	12½
Do p	11½	12½
C Dredg	17½	17½
xC Dyno	28	32
xC E Gas	235	239
C Fbks	30	36½
Do p	100	..
xCF Pr	360	375
Do A	6½	7½
Do w	42	42
CGE	780	1180
CG S A	15	15?
Do B	17	18½
xC High	35	40
xC Home	96	100
C Husky	860	860
Do w	350	370
C Hyd C	10½	10½
C I Ma	6	..
Do A	11½	11?
CIL	15½	15½
Do p	73	76
xCMar	14	9
xCMWat	30	33
xCMedal	215	217
xCMent	13	14
xCMerril	116	117
xCMeta	8	11
M LP	14½	15½
Do p	13	13½
xCMidcon	48	50
Mid P	17	18
xCMidr	51	55
xCMidW	190	195
Do w	12	16
xCMill C	22	23
xCMillik	100	105
xCMilt B	285	300
xCMinda	6	7
Min Cp	12	12½
xCMin Or	8½	9
Mitchell	20	..
Mitch Ro	12½	14
Do cl B	6	..
M C A	14	14½
Mols A	34	34½
Do B	23	24
Do p	39½	39½
Moly	..	45½
M Kn	8½	9
Do p	83	90
M Mort	47½	..
xCMoneta	67	70
M Loco	18	18½
Mtl Tr	46	47
Moore	38½	38½
Do A	1824	..
Do B	2736	..
Morgan	31½	32½
Do cl p	102	..
xMt Wrt	81	82
xMulti	44	47
xNama	16½	17
Nat Dr	15½	15½
Do p	15	16½
xN Exp	6½	8
N Groc	20½	26½
xN Hos A	650	..
Do B	395	410
N Lead	..	113
xN Pet	325	340
N St C	15½	16½
Nat Tr	49½	50
xNealon	6	6½
xNello	13	14
Neon	14½	15
xNes L	18	20
New		
xN Alg	5	6
xN Ath	27½	28
xN Bird	8½	9
xN Cal	25	28
xN Conc	8½	15
xN Cont	27	31
xN Dav	17	20
xN Del	16	17½
xN Dick	225	228
xN Gvue	5½	7½
xN Harri	10	10½
xN Hos	81	83
xN Jas	8	9
xN Kel	10	10½
xN Lund	18	21
xN Man	38	41
xN Myln	115	117
xNnor	59	61
xN Rou	8	10
xN Sen	4½	5
xN Sup	57	65
xN Taku	14	23
Nia W	13	14
Do B	12	12
xNick M	56	58
xN Rlm	52	60
xNipis	146	150
xNisto	5	6
xNor-Ac	15	17
Noran	48½	48½
xNogld	5	7½
xNorlar	21	24
xNrmet	345	360
xNorpax	11	12
xNorsyn	8	8½
xNorcal	11½	12
North		
xN Gate	55	57
xNO	260	265
xNthlnd	110	120
Do wts	110	140
xN Gldt	22	24
xN Rk	115	116
xNthsp	86	90
Do A w	50	60
N Star	28	29½
Do A	16½	16½
Do p	41½	41½
Do w 57	340	355
Northern		
xN Can	118	125
No NG	16½	16½
NQ P	24½	25
Do 1 p	46½	48
xNor Pr	315	320
Do wts	110	140
Nthld U	15	17
NW U p	72½	74
xNthld	22	23
xNorval	13	15
N.S. L&P	13½	13½
xNudul	12½	14
xN Bcage	85	95
Oak W	13½	15
xObask	6½	8
xOBrien	72	75
xOcelot	12½	15
Off Sp	15	17½
xOka R	12	15½
xOkalt	50	57
xOLear	14	15
xOB S	70	..
Do p	8½	..
O Loan	27½	29
O Sti	21	22
Do p	123½	125
xOpem	785	800
xOrchan	113	114
xOrena	6	8½
Osisko	25	27
Oshawa A	71	71
xOsisk	28	30
Pac P	12½	12½
Do w	930	990
Pge Her	28	28½
xPali	36½	36
xPmour	56	64
xParam	6½	7½
xParbec	2	2½
xPardee	20	22
xParker	290	320
Pater	22	23
Patnc M	400	415
Do w	85	95
xPato	310	325
xPymst	21	22
xPce Exp	13	16
xPriess	32	32½
Pbina	7	7½
Do p	45	45½
Pmmns	30½	31
Do p	102	109½
PCJI	24½	27
Do p	96½	97½
xPmo p	93	98
xPerron	16	17
xPeruv	100	102
xPetrol	112	115
xPhil	75	87
Ph Eng	15	16
xPck Cr	90	92
xPit-Or	6	6½
xPlce	77	79
Placer	10½	10½
xPonder	16	20
xPortg	70	75
Pow R	17½	17½
xP Rou	35	37
Pow Cp	..	36½
xPrairie	280	290
xP Pipe	340	345
Prem T	143½	155
P Iron	425	445
xPres E	125	135
xPrest	535	575
Price Bro	62	65
xPrnte	290	295
xPros A	62	68
Prov Bk	37½	39
xProv G	262	265
Prov Tr	140	142
Do pfd	41	42
xPrdex	5	5½
xQ Ascot	17½	18
xQ Chib	29	32
xQ Cop	15	16
xQ Lab	4½	5
xQ Lith	26½	..
xQ Man	15	25
xQ Met	52	55
Qn Gas	14½	14½
Que Pwr	34	34½
xQunst	14	15½
Quem	10½	10½
xQuin	405	..
Do A	11½	12½
xQnic	11	12
xRdior	62	64
xRainy	21	34½
xRanger	146	156
Rap-Gri	13½	13½
xRayro	25½	27
xRealm	44	47½
xReef	5	6
xReeve	120	160
Reichld	26	27
xRetlab	126	140
xRexsp	20	24
Reyn p	90	95
xRio R	8	8½
R Sk A	8	10
Do B	8	400
xRix	21	25
Robtsn J	..	18
Robtsn	17½	17½
Do 2 p	16	16½
Do A p	18	18
xRobin	200	715
Do p	125	..
R Little	14½	15
Do A	15	16
xRoche	11	12½
xRckwn	25	27
xRky p	6	6½
Roe, A V	6	8½
Do p	84	85
Rolland P	30	30½
Do pfd	70	..
xRowan	9½	10
Roy Bk	78½	79½
Roy O A	10	10
xRoyalt	700	715
Do p	18	18½
Russell	10½	11
xRyanr	10	13½
StL C	14½	14½
Stl Cp	16½	16½
Do A p	92	95
xSt Maur	110	115
Sal	10½	10½
Do w	80?	82?
xSan A	66	70
xSand R	8	9
xSapph	75	79
Do bd	41	44
xSarcee	121	122
xSatel	24	25
Scfe A	10½	10½
Do B	..	10½
Scythe	14	14
Do p	20	25
xSec F	410	425
Shawin	23½	23½
Do A	30	30
Do A p	39	39½
Do B p	..	46
xShp Cr	105	110
Sher-Wms	45	48
Do pfd	125	133
xShrt	28?	28?
Sicard Inc	7	7½
Sicks	23	30
xSigma	385	400
Slknt	20	34
Do p	36	..
xSil Mill	40	41½
xSil St	30	35
Silwd A	11	11½
Do B	11½	11½
Simon & Sons	..	..
5% p	88	..
Simpsn	32½	32½
xSiscoe	66	67
xSKD	160	170
Slt	27	27
Do p	38	40?
xSlocan	14	15
Sogemn p	24½	25½
Smvil p	46	48½
Stham	73½	80
Sou Can	58	62
xSth U	20½	21
Spartan	130	150
Do w	40	45
xSpoon	13	14
xStdcona	10	11
St Fav	21	21½
St Rad	17	17
St Str Sti	16½	17½
xStanl	45	46
Do w	18	24
xStarr	4	4½
Stedmn	36?	39
Stl Can	81½	81½
xSteeloy	4½	5
St R	11½	12½
Stbg p	99	100½
Do A	33½	34½
Ster Tr	46½	50
Stov p	6	6½
Stu O	16½	18
xStrgn	22½	24
xSub	174	177
xSud C	6	7
xSuili	160	163
xSun Ex	15	16
S Prop	15½	16½
Do p	21	23½
Sun Pw	415	435
Stest O	14½	14?
xDo c	335	350
Do p	90	98
xSurf I	5½	6½
xSwitsn	360	390
xSyivan	106	109
Tmbin	26½	27
Do p	40	43
Tancord	500	500
xTaurc	65	69
Do vt	47	50
Tap PC	21	..
Do p	8½	9
xTeck-H	176	181
xTemag	205	206
xTerritory	37	42
xTex Str	125	145
Texaco C	53½	55
Do p	82	83
xTho L	45	47½
xThom P	290	290
Thorncl	9½	10½
xTiara	5	6
xTidal	90	92
Do w	6½	7
TT A	6½	7
TT Tlra	14½	16
xTmbll	61	64
xTorbit	25	28½
T-D Bk	56	56½
T Elev	13½	13½
T Gen T	42	43½
T Iron	18	23
xTrad	270	280
xTribag	32	34½
xTrin	15	16
TW C G	5½	6
xUlt-Sh	10	11
xUn A	9½	11½
xPali	36½	36
xPmour	56	64
xParam	6½	7½
xParbec	2	2½
xPardee	20	22
xParker	290	320
Pater	22	23
Patnc M	400	415
Do w	85	95
xPato	310	325
xPymst	21	22
xPce Exp	13	16
xPriess	32	32½
Pbina	7	7½
Do p	45	45½
Pmmns	30½	31
Do p	102	109½
PCJI	24½	27
Do p	96½	97½
xPmo p	93	98
xPerron	16	17
xPeruv	100	102
xPetrol	112	115
xPhil	75	87
Ph Eng	15	16
xPck Cr	90	92
xPit-Or	6	6½
xPlce	77	79
Placer	10½	10½
xPonder	16	20
xPortg	70	75
Pow R	17½	17½
xP Rou	35	37
Pow Cp	..	36½
xPrairie	280	290
xP Pipe	340	345
Prem T	143½	155
P Iron	425	445
xPres E	125	135
xPrest	535	575
Price Bro	62	65
xPrnte	290	295
xPros A	62	68
Prov Bk	37½	39
xProv G	262	265
Prov Tr	140	142
Do pfd	41	42
xPrdex	5	5½
xQ Ascot	17½	18
xQ Chib	29	32
xQ Cop	15	16
xQ Lab	4½	5
xQ Lith	26½	..
xQ Man	15	25
xQ Met	52	55
Qn Gas	14½	14½
Que Pwr	34	34½
xQunst	14	15½
Quem	10½	10½
xQuin	405	..
Do A	11½	12½
xQnic	11	12
xRdior	62	64
xRainy	21	34½
xRanger	146	156
Rap-Gri	13½	13½
xRayro	25½	27
xRealm	44	47½
xReef	5	6
xReeve	120	160
Reichld	26	27
xRetlab	126	140
xRexsp	20	24
Reyn p	90	95
xRio R	8	8½
R Sk A	8	10
Do B	400	..
xRix	21	25
Robtsn J	..	18
Robtsn	17½	17½
Do 2 p	16	16½
Do A p	18	18
xRobin	200	715
Do p	125	..
R Little	14½	15
Do A	15	16
xRoche	11	12½
xRckwn	25	27
xRky p	6	6½
Roe, A V	8	8½
Do p	84	85
Rolland P	30	30½
Do pfd	70	..
xRowan	9½	10
Roy Bk	78½	79½
Roy O A	10	10
xRoyalt	700	715
Do p	18	18½
Russell	10½	11
xRyanr	10	13½
StL C	14½	14½
Stl Cp	16½	16½
Do A p	92	95
xSt Maur	110	115

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$23.88	$25.00	23.75
Hogs	22.65	22.65	24.50
Copper, lb.	.30	.30	.29
Coffee, lb.	.36	.35¾	.44¾
Sugar, raw, lb.	.0607	.0607	.06
Hides	.24	.24	.18½

Weekly Commodity Indices

Dow Jones Fut.	150.76	143.91	150.52
U. S. Labor	119.1	▪119.2	118.6

Monthly Price Indices

	Latest month	Previous month	Same month last yr.
Canada (D.B.S.):			
Retail C.P.I.*			
(Aug.)	127.1	126.4	125.2
W'sale (Sept.)	230.9	230.8	227.4
C. F'm Pr.* (Sept.)	219.0	221.9	211.1
U. S. W'sale (July)	119.5	▪119.7	119.2
Gr. Br. W'sales (July)	111.9	111.3	111.1

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto Copper-electrotypes, New York Coffee No 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.
‡Base years 1924-26=100
◆Base year 1934=100.
▪Revised.

Toronto Curb

	Bid	Ask		Bid	Ask
Andian	5	6½	Gaspe	23½	25
A C	39	39	Hayes	26½	29½
Ang-N	7½	7½	I Pap	123	..
Asbest	27½	28	I Util	36	36½
B A B	45	49	Lang p	45	..
xBulolo	405	410	Lob I	115	118
CD Sug	22½	22½	M Lrn	72	79
C Ving	34	36	MO Pap	31	31
C Brnze	20½	21	Ogilv	41½	43½
Do p	..	90	Do p	123	144½
C Cott	23	26½	xPend O	255	260
CG Inv	34	34½	Price	43½	44
C Ing	36½	40	Sngmo	11½	14½
C Marc	5½	6½	xSW P	..	175
xCst C	235	300	Tn CG I	6	6½
C Pap	39	39½	xYuk C	78	83
xDalh	21	22	Zellrs	32	33
de Hav	155	299	(xToronto Gold)	3290	3310
D Glass	83½	85½			
Do.	13½	14½	xQuoted in cents.		
DOC	39½	41			
Du Pont	23½	24			
Do p	..	76			

Options on Stock

Supplied by KIPPEN & CO. INC., Montreal

30-day Call Offerings
November 2, 1959

Alta. Gas	$285	Dom Tar & Ch	$175
Aluminium	275	Dynamic Pete	25
Atlas Steel	270	Fam Players	225
Bailey A	90	Fargo Oil	60
Bralorne	70	Frobisher	35
B-A Oil	300	Frost	175
Cdn Devonian	50	Geco	325
Cdn Delhi	75	Great Lakes	325
Cdn Export

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks (saving curb market quotations). For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING OCTOBER 30, 1959

Range 1959 High	Range 1959 Low	Div. Y'ld R'te Oct 30 $	Div. Y'ld R'te Oct 30 %	Company	Sales	Last Oct. 23	Week end. Oct. 30 High	Week end. Oct. 30 Low	Close or Latest
1.00	.26	..	..	Abitca Lumber	8500	.33	.35	.32	.32
40	32	1.70	4.5	Abitibi	9357	37	37½	36¾	37½
24	22¼	1.12½	5.1	Do. 4½% pref.	1500	22¼	22¾	22¼	22¼
12	9	.60	6.2	Acadia Atlan.	405	9¼	9¼	9¾	9¾
98	80	5.00	5.4	Do. 5% pref.	210	91	92	92	92
22	18¼	1.20	6.3	Do. (A)	315	18½	19	18½	19
17¾	17¾	..	..	Admiral	nil	..	B19½	A19¾	17¾
18¾	12½	.70	4.1	Agnew Surp.	290	16½	17	16½	17
4.50	2.75	..	..	Alaska Y. Pipe	400	2.75	2.75	2.75	2.75
2.00	.80	..	..	Alaska Refin.	nil	..	..	A.80	.80
.13	6	..	..	Do. pref.	nil	..	B7	A9	9
3.80	2.85	..	..	Albt. Dist.	8250	2.90	3.00	2.90	2.95
2.80	2.00	..	..	Do. V.Ti	6300	2.25	2.30	2.20	2.25
1.85	1.00	..	..	Do. S. Pur. W.	2450	1.25	1.30	1.30	1.25
30	21¾	..	..	Albt. Gas Tr.	36028	26½	29¼	25½	28¼
23	16½	1.25	1.1	Algoma Cent.	1475	19½	20	19½	20
75	59	3.00	4.9	Do. 6% pref.	75	80¼	82½	61	61
10¾	5½	..	..	Do. Warr.	225	7.00	7.50	7.00	7.50
42½	34½	1.00	2.7	Algoma Steel	5585	37¼	37½	37¼	37¼
2	7¾	.20	2.4	Algonquin	nil	..	B8¾	A9	8½
20	19	1.30	7.3	Do. pref.	nil	..	B18¾	A19	t17¾
37¾	26¾	t4.53	..	Aluminium	13748	31¾	31¼	30½	30¼
22	20	1.00	4.9	Alum. of C l p	520	20¼	20¼	20¼	20¼
45¾	41½	2.25	5.3	Do. 2nd pref.	1670	42	43	42	42½
12.50	5.50	..	..	Analogue	2425	6.25	6.75	6.37½	6.50
7.00	2.50	..	..	Do. Warr.	nil	..	B2.75	A3.00	3.00
7	5	a.30	..	Andian Nat.	200	5½	5	5	5
25	22½	.50	2.1	Anglo Can. Oils. (Brandon)	nil	..	B24¼	..	24½
44	37½	2.00	5.1	Ang. Cdn. Pulp	151	38½	39¼	39	39
53	42	2.80	5.8	Do. pref.	225	50½	51	48	48
43¼	40	2.00	5.0	Ang. Can. Tel. p	10	40	40	40	40
8½	6½	.20	2.9	Ang. Nfld.	7320	6¾	6¾	6¾	6¾
..	..	.20	..	Angl-Scand. Inv.	nil	..	..	A9½	..
45	38	1.40	3.5	Anthes Imp.	35	39½	40	38	40
100	95	5.50	5.9	Do. 5½% pref.	10	95	194	194	194
42½	31¼	1.00	3.2	Argus	7093	31½	33	31¼	31½
83	66	2.40	2.6	Do. A pref.	1870	69½	69½	66	66
48¾	44½	2.50	5.6	Do. (B) pref.	530	45¼	46¼	45½	46
..	..	a1.00+1e	..	Aro Equip.	nil	..	..	..	..
38½	27	1.20+2.70	..	Asbestos	5426	28	28½	27¾	27¾
9.75	4.85	1.40	..	Ash Temple	nil	..	B6.75	A7.00	6.75
190	190	6.00	6.7	Do. (A)	nil	..	B92	..	190
9¾	8¼	.65	7.6	Do. (B)	nil	..	B8	A8¾	8½
10	10	.60	6.0	Ashdown Hd. A	110	t14¼	10	10	10
16½	13½	.72	5.3	Do. (B)	325	14	14	13½	13½
..	..	a4.00+1e	a2.00	Assoc. T&T pref.	nil	..	..	..	101
19¾	5½	..	..	Atlan. Accept.	1900	10	10¾	10¼	10¾
17½	15	1.10	6.4	Do. pref.	nil	..	B16¼	A17¼	17¼
29¾	24	1.00	3.6	Atlas Steels	3447	26¾	27½	26¼	27½
34½	19¾	1.00+2.25	..	Auto Electric	860	28½	28	27	28
10.00	6.00	t4.60e	..	Auto Fabric A	nil	..	B7.25	A8.00	7.50
4.50	2.25	..	..	Do. (B)	200	3.50	3.40	3.40	3.40

B

63¾	51	1.60+1.35	..	Bk. Can. Nat.	1210	53¾	53½	51½	52
62¾	50½	1.60+1.25	..	Bk. Montreal	5663	55	55¾	55	55¾
84½	65¾	2.20+3.10	..	Bk. N. Scotia	6686	71	70¾	69½	70
45	33	1.00+1.25	..	Bk. Provincials	550	39	38½	38	38
..	..	2.20+t2.40	..	Barber-Ellis	nil	..	B54	..	..
..	..	3.50	..	Do. pref.	nil	..	..	..	..
4.85	3.00	..	..	Barcelona	nil	..	B4.40	..	4.00
8¾	6¾	e.50e	..	Bates & Innes A	nil	..	B5	A8	15¼
52	41	2.00	4.8	Bathurst Pr. A.	795	42	42	41¾	41¾
36	26½	e.75	..	Do. (B)	1475	27½	28½	27½	27½
13.37½	6.37½	.40+t.10	..	Beatty Bros.	625	8.37½	8.62½	8.25	8.25
20	20	1.00+1.25	..	Beaver Lumber	565	24	24¼	24	24¼
18½	17¾	1.00	6.0	Do. (A)	110	t16¾	t16¾	t16¾	t16¾
28	25½	1.40	5.0	Do. pref.	50	27½	28	28	28
13½	10¼	1e	..	Belding Cort.	nil	..	..	..	10½
12¾	11	.70	5.8	Do. pref.	nil	..	..	..	12
8	7	..	..	Belgium Stores	1	7½	7	7	7
13	13	1.00	7.7	Do. pref.	nil	..	..	..	13
44¼	39¾	2.00	4.9	Bell Telephone	20402	40¼	40¾	40	40¾
6	4	7½	4.7	Biltmore Hats	nil	..	..	A12	t8½
14½	12½	1.00	9.1	Do. A pref.	nil	..	B10	..	t11
55	47	2.40+1.40	..	Bird Constr.	nil	..	B30	..	50
11¾	8¾	t4.20	..	Blue Bonnets	400	9	9	9	9
2.75	2.50	..	..	Do. Warr.	nil	..	..	A2.00	t2.00
†14	†11	..	..	Blue Ribbon	nil	..	B19¾	..	18
61	50	2.50+12.50	..	Do. pref.	nil	..	B61	..	61
46½	44	2.75	6.0	Bowater Mer. P.	145	44¾	46	45¾	46
9.00	6.00	t13%	..	Bowater Paper	19065	8.62½	9.12½	8.50	9.00
47	39¾	2.50	6.2	Bowater NA 5%p	630	40¼	41	40½	40½
45	25	2.50	6.0	Do. 5½% pref.	100	46	46	46	46
39½	19½	1.00+2.50	..	Bowes Ltd.	25	26	25	25	25
9½	7¼	.60	8.3	Boyles A	100	7¾	7¾	7¾	7¾
3¾	4	..	..	Do. (B)	nil	..	B4¼	A5	4
†8½	4.40	e.25e	..	Brazilian Tr.	18081	5.00	5.37½	5.00	5.12½
90	90	6.00	7.1	Do. pref.	nil	..	B85	A90	185
25	19	1.20	6.0	Bridge & Tank	575	20	20	19¾	20
48	45	2.90	6.3	Do. pref.	50	45	46	46	46
50	37½	1.60	2.0	Bright. T. G.	nil	..	B43	A46	49
21	20½	1.15	5.7	Do. 5% pref.	nil	..	B20½	A25	20¼
52	42	.60+1.70	..	Br. Am. Oil. N's	nil	..	B45	A49	42
44½	31¾	1.00	3.0	Brit. Amer. Oil.	28212	32¾	34¼	32½	33¾
78	68¼	4.00	5.7	B.C. Elec. 4% pf.	125	68¼	71	t67½	69½
41½	35¾	2.12½	5.7	Do. 4¼% pref.	470	37	37	36¾	37
43	37¾	2.25	5.9	Do. 4½% pref.	160	37¾	38¼	38	38¼
51	41½	4.75	5.8	Do. 4¾% Pfd.	227	t41¾	42½	41	42½
49	44	2.50	5.6	Do. 5% Pfd.	275	t44¾	44¾	44	44¼
52½	47	2.75	5.7	Do. 5½% Pfd.	412	47¾	48	t46¾	48
18	11½	e.08e	..	B.C. Forest	6710	11¾	13	11½	12¾
18	13	.75	5.0	B.C. Packers	1200	14¼	15	14¼	14¾
18	13½	1.00	6.9	Do. B	642	14¾	14¾	14¾	14¾
40¼	33¾	1.40	4.1	B.C. Power	8038	34¾	35	34¾	34¾
38¾	28¾	2.00	5.0	B.C. Tele	1753	40¼	40½	40	40
1.25	.90	..	..	B.C. Turf	500	1.10	1.15	1.15	1.15
18	17	1.04	5.8	Brooke Bond Pf.	nil	..	B17	A19½	t18
14½	11¼	a.30+e	..	Brown Co.	1340	11¾	11¾	t11½	11¾
13½	8¾	..	..	Bruck S. Mills A	1405	11	12¼	11¼	12¼
5.00	2.20	..	..	Do. B	400	2.55	2.50	2.50	2.50
30	23¾	1.80	6.2	Build Prod.	1314	29	29	28¾	29
7	5¼	.50	7.8	Bulloch's A	1225	7	6¾	6¼	6¾
5	3¾	..	..	Do. B	5	..	B5½	A6¼	16
19¾	15	1.10	6.4	Do. pref.	nil	..	B16¼	A17¼	17¼
29¾	24	1.00	3.6	Atlas Steels	3447	26¾	27½	26¼	27½
34½	19¾	1.00+2.25	..	Auto Electric	860	28½	28	27	28
10.00	6.00	t4.60e	..	Auto Fabric A	nil	..	B7.25	A8.00	7.50
4.50	2.25	..	..	Do. (B)	200	3.50	3.40	3.40	3.40

C

125	121	1.50	6.0	Caldwell Lin. 1st pf.	nil	..	..	..	125
101	78½	2.00	2.1	Calgary Pwr.	4355	95½	99¾	96½	97
103	99½	5.00	5.1	Do. 5% Pref.	15	100	199	t98¾	t98¾
Canada									
5.50	4.00	.10	2.4	Canada Bread	nil	..	B4.20	A4.25	4.25
58	55	2.80	4.3	Do. Pref. B	nil	..	B57	A60	58
37	26¾	1.00	3.4	Canada Cement	9251	28¾	29¼	28	29½
28½	25	1.30	4.9	Do. Pref.	283	26	26¼	25¾	26½
23¼	12¼	1.20	..	Can. Cr. & C. Stone	100	14	14	14	14
27½	t17¼	1.75	..	C. & D. Sugar	10615	22	22½	21½	22½
15½	14½	1.00	6.7	Can. Floor B	nil	..	..	..	15
24½	20	.60+1.20	..	Can. Foils	nil	..	B20	A23½	22
..	23¼	.60+1.53	..	Do. A	nil	..	B21	A24¼	22¼
12	12	e.07+e	..	Can. Forg.	nil	..	..	A14½	12
30	25¼	1.50	5.9	Do.	nil	..	B30	..	30
37¾	25½	1.50	5.8	Can. Iron	1690	25¾	26	25½	25¾
101	85	4.25	5.0	Do. 4¼% Pref.	20	t85	86	85	85
21	20¾	4.60	2.1	Can. Life	nil	..	B200	..	218
†15	†10	..	..	Can. Machinex	nil	..	B10	A13	†10
76½	54	2.00	2.6	Can. Malting	175	54½	55½	54½	55½
26	24½	1.17	4.8	Do. 4½% Pfd.	50	24½	24½	24½	24½
57	46	1.75	3.6	Can. Packers A	125	47½	48	48	48
55	44½	1.75	3.9	Do. B	445	t44½	45	44½	45
70	55½	2.00	3.4	Can. Perm. Mtg.	645	58	59	58	58
91	86	4.40	5.0	Can. Safeway Pf.	nil	..	B87	A87¼	87½
49¼	39½	1.40	3.4	Can. Steamships	589	41½	41¾	41	41
13	11	.62½	5.4	Do. Pref.	543	12	12	11½	11½
31	28	t1.10+.30	..	Can. Vinegars	15	30	34½	34½	34½
8	8	..	4.0	Can. West Cord A	nil	..	..	..	..
..	..	..	5.5	Do. B	nil	..	..	..	100
115	100	4.00	..	Can. W. Cable A	nil	..	..	..	..
13½	10¾	.50	5.5	Do. B	2395	11¾	11¾	10¾	11
Canadian									
155	135	t4.00	..	Canadian Arena	nil	..	B160	..	155
21	18½	..	..	Cdn. Aviation	nil	..	B15½	A17	16½
6	4	1.25	..	Cdn. Bakeries	nil	..	B5	A7	6
65	52	1.60+1.20	..	Cdn. Bk. Com.	4606	59¾	59¾	57½	57¾
43¾	33½	1.50	4.2	Cdn. Breweries	4340	35¾	36½	35	36
43½	34½	1.25	3.5	Do. Pfd.	325	35½	36	35¾	36
17¾	11	..	..	Cdn. Br. Al A	1735	14	14	13¾	14
10.50	4.10	..	..	Do. Warr. A	1800	6.50	6.75	6.15	6.25
8.70	3.45	..	..	Do. Warr. B	1800	6.00	6.00	5.60	6.00
28	20	1.50	7.5	Cdn. Bronze	3495	e.20½	.20	.20	.20
90	80	5.00	5.9	Do. Pref.	nil	..	..	..	80
21	18½	1.75	..	Cdn. Canners A	800	13¾	13¾	13¾	13½
38	33	2.00	5.2	Cdn. Celanese	2885	20	21¾	20	20½
33	27	1.75	6.2	Do. $1.75 Pref.	390	27	29	28	28¼
20	17¼	1.00	6.9	Do. $1.00 Pref.	15	t17	t15½	t15½	t15½
9½	6½	..	..	Cdn. Chem. Ltd.	1443	6¾	7¼	6¾	7¼
9.50	4.50	..	..	Cdn. Collieries	6630	7.00	7.75	7.00	7.75
5	3	.80	6.9	Do. Pref.	3075	.74	.72	.70	.72
8.00	4.50	..	..	Cdn. Convert A	nil	..	B3.50	A5.00	3.50
27	14	..	..	B	nil	..	B4½	..	14½
4.10	2.25	..	..	Cdn. Cottons	nil	..	..	..	22¾
15	12	1.65	..	Cdn. Curtiss W.	3925	2.40	2.45	2.25	2.30
13	12	.60+1.10	..	Cdn. Drawn Stl.	nil	..	B12½	A12½	13¾
23	17	t11.50	..	Do. Pref.	300	10¾	11	11	11
36	25	2.00+2.10	..	Cdn. Dredge	1400	18½	18¾	17¾	17¾
110	105	6.00	5.5	Cdn. Fairb.	235	30	30	30	30
8.00	2.50	..	..	Do. Pref.	100	100	110	110	110
9½	..	..	..	Cdn. Food Prod.	40	3.00	3.50	3.50	3.50
82	41½	..	..	Do. A	10	16½	7	7	7
1150	1150	8.00+14.00	..	Do. A pref.	nil	..	B42	A42	43½
33½	32¾	1.20+1.15	..	Cdn. Gen. Elec.	nil	..	B780	1180A	1150
19½	15¾	1.60+1e	..	Cdn. G. Inv.	240	34	34½	33¾	34½
19½	17	1.60+1e	..	Cdn. G. Sec. A	20	15¾	t15¾	t15¾	15
12½	..	..	..	Do. B	nil	..	B17	A18¾	t16¼
18	17	.10	..	Cdn. Hydrocarb	2174	9½	10½	9¾	10
12¾	10	.80	7.3	Do. A	100	11	11	11	11
20¼	15	1.50	..	Cdn. Indust.	2069	15¼	15¾	15¼	15¾
80	73½	3.75	5.0	Do. Pref.	25	74	75¾	75	75¾
43¾	35	1.50	..	Cdn. Ingersoll R.	570	38	38	38	38
21	19	1.25	..	Cdn. Int. I. Tr.	nil	..	B19	A21	19
193	180	3.50	6.2	Do. Pref.	nil	..	..	A84	181
24	15¾	..	..	Cdn. Int. Pwr.	15	16¼	16	16	16
47¼	44¾	3.00	6.8	Do. Pref.	683	45	45¼	45	45¼
2.05	1.05	..	..	Cdn. Kodiak	1900	1.30	1.25	1.30	1.30
14½	9	..	..	Cdn. Locomo.	35	9¼	9½	9	9½
8.25	5.00	..	..	Cdn. Marconi	700	6.00	6.37½	6.00	6.00
35¼	23¼	.60	3.7	Cdn. Oil	5655	23½	.24	23¾	23¾
81	81	4.00	4.9	Do. 4% Pref.	nil	..	..	A80	81
105	94½	5.00	5.3	Do. 5% Pref.	45	t94½	95½	94½	94½
183	140	8.00	5.7	Do. 8% Pref.	140	143	143½	143½	143½
25¼	24¾	1.50	6.0	Cdn. Pacific	16752	25¼	25¼	25	25¼
15¼	11¼	..	..	Cdn. Petrofina Pf.	3043	13¾	13	12¾	13
2.80	1.40	..	..	Cdn. Pr. & Pa. Sec.	4	6½	15½	15½	15½
43	30	..	..	Cdn. Propane	1000	2.45	2.48	2.45	2.45
2.10	1.00	..	..	Cdn. Salt	350	41	41	41	41
200	126	.60+1.10	..	Cdn. Silk A	nil	..	B1.90	A2.00	2.00
..	..	1.00	4.8	Do. Pref.	nil	..	..	..	21
94½	92½	5.00	5.4	Cdn. Utilities Pf.	10	93	195	193	195
79	74	4.25	4.8	Do. 4¾ Pf.	nil	..	B71¾	..	t73¾
14	14¾	2.70	..	Cdn. Vickers	560	15½	15½	15	15
38	33	1.25	..	Cdn. Wallpaper A	nil	..	B28½	A34	30
38	33	1.25	..	Do. B	5	30	30	30	30
18	14¾	.80	5.2	C. West Gas 4% pf.	225	14¾	15	14¾	15
20¾	19	1.19	5.7	Do. 5½% Pfd.	200	19¼	19½	19¼	19¼
36	30½	1.00	2.5	Cdn. Westinghouse	280	40½	40	40	40
1.40	1.25	..	..	Canarama	500	1.25	1.60	1.40	1.40
3.75	2.75	..	..	Do. Pref.	500	2.15	2.75	2.75	2.75
.50	..	..	..	Do. Warr.	500	.35	.50	.50	.50
12½	10	t4.36+1.10	..	Capital Estates	200	10	10¼	10¼	10¼

1.75	1.25	..	..	Carling Br. Alta.	nil	..	..	A1.30	1.30
1.60	1.45	..	..	Do. V.T.	nil	..	..	A1.60	1.50
14	13	.60+1.25	..	J. B. Carter A	nil	..	B12	..	13½
38½	38	t2.00	..	Do. B	25	38½	145	145	145
44	39	.50+1.37	..	Catelli Food A	nil	..	B38½	A39	39
71	57	1.60	2.5	Chart Trust	135	63	63	62¼	63
23½	19½	1.00	4.1	Chateau-Gai	25	24½	24½	24½	24½
68	49¾	a1.00	..	Chrysler Corp.	nil	..	..	..	..
..	..	19d	..	Cinzano A	nil	..	B1.30	..	†1.10
..	..	5½%	..	Do. 5½% Pref.	nil	..	..	..	..
3.00	1.25	..	..	Circle Bar Knit	50	2.00	2.70	2.70	2.70
3.50	2.50	..	..	Do. A	100	3.50	†4.00	†2.75	†2.75
23	20½	e.	..	Cochrane-Dun	150	†20	20½	†20	†20
14½	14½	.80	5.8	Do. A	60	†14	†13¾	†13¾	†13¾
18¼	12¼	..	..	Cockshutt Farms	1750	17	17	16	16¼
15	10	†1.60e	..	R. J. Coghlin	100	6	6	†5½	†5½
†15	†15	1.75+.25	..	Coll. Terminal	nil	..	B18	..	†15
16	16	1.75+.25	..	Do. Pref.	nil	..	B15	..	16
5.25	3.50	..	..	Columbia Cell	2238	4.00	4.20	3.85	4.00
15¼	10	.60	5.5	Comb. Enter	598	10¾	11¼	10¾	11
14	10¼	1.70	..	Conduits Nat.	220	13	13	12¾	12¾
150	130	2.00	1.4	Conf. Life.	165	142	149	147	147
185	157	..	..	Do. Offered	nil	..	B161¾	..	161¾
10¼	8	.50	5.3	Cons. Bakeries	2125	10	9¾	9¼	9¼
1.10	.95	..	..	Cons. Div. Sec. A	nil	..	B.80	A1.15	.99
32	31½	2.00	6.5	Do. Pref.	nil	..	B32	..	†31
5.50	2.00	6.25	..	Cons. Fire Ins.	nil	..	B5.00	A7.00	5.50
23½	17½	.80+1.20	..	Cons. Min & Smelt	23560	18½	20	18¾	19¼
45	36	1.60+1.40	..	Cons. Paper	10308	36¼	38¾	36¼	38
6.10	2.25	..	..	Cons. Textiles	nil	..	B2.25	A3.00	2.60
..	..	1.00	6.9	Do. Pref.	nil	..	..	..	†14½
47½	34	1.00	2.3	Consumers Gas	4806	41½	43¾	41	43¾
106	100	5.50	5.5	Do. A 5½% Pf.	20	100	100½	100½	100½
106½	98	5.50	5.5	Do. B 5½% Pf.	30	103¾	102	102	102
35¾	26½	1.50	5.7	Consumers Glass	125	27	26½	26½	26½
..	..	a1.80	..	Cont. Can.	nil	..	B43¾	A44½	57¾
8	6¾	.40+1.20	..	Copp Clark	130	7	7¼	7	7
21½	17¾	1.10	6.0	Corbys Vot.	865	18¼	18¾	18	18¾
20¾	16½	1.10	6.5	Do. B N. Vot.	200	17¾	18½	17	17
8¼	7	1.27	..	Coronation Mtge.	150	8	8	8	8
14	11	.70+1.10	..	Cosmos Imp.	40	11	11	11	11
2.75	2.00	.16	7.0	Craig Bit	nil	..	B2.10	A2.30	2.30
14	11	70+1.10	..	Crain, R. L.	1754	18¾	19¾	19	19½
52½	43¼	.32+.8e	..	Credit Accept.	850	..	B35¾	..	13¾
4¼	4	..	..	Credit Foncier	20	83	85	85	85
1.85	1.50	..	..	Crestbrook Tim.	100	1.55	1.50	1.50	1.50
22	19¾	..	..	Do. Pref.	nil	..	B21	..	†22¼
25	23	..	..	Do. Warr.	200	.25	.27	.27	.27
62½	54½	2.00	3.4	Crown Cork	nil	..	..	A60	58
34	25¾	1.00	3.1	Crown Trust	120	25¾	26	26	26
52	43¾	a1.80	..	Crown Zeller	88	53	50½	50	50½
24½	19½	1.00	5.0	Cr. Zell (Can.) A	470	20	20	19½	20
24	16	.60	3.8	Crow's N. Coal	nil	..	B14½	A16	16
8¼	7½	..	..	Crush Int.	700	7½	8	7¾	7¾

D

85	85	7.00	8.3	Dalex Co. Pref.	nil	..	B84	A89	†84
2.05	1.55	..	..	Dalfen's Ltd.	3000	1.80	1.80	1.60	1.80
48	44¾	3.00	6.3	David & Fre. A	nil	..	..	A48	48
..	..	15.00	..	De Havilland A	nil	..	B155	A299	190
35¼	30	1.20+2.50	..	Distill-Seagram	16730	31	31¼	30¾	31
535	535	10.00+	7.00	Dom. Ang. Inv.	nil	..	B535	..	535
93	93	5.00	5.4	Do. Pref.	nil	..	B93	..	93
24½	20	.80+1.20	..	Dom. Bridge	7485	21¾	22	21½	22
8¾	5	..	..	Dom. Coal Pref.	125	5¼	5¼	5	5¼
22	17	1.00	5.7	Dom. Corset	100	17½	17	17	17
13½	5½	1.20	..	Dom. Dairies	200	10½	11	11	11
25	20½	1.75	7.0	Do. Pref.	nil	..	..	..	25
15	10	†1.10	..	Dom. Electro	725	12	12	11	11¾
11	6½	..	..	Do. Warr.	nil	..	B7	A8¾	7½
21	13¾	1.00	5.9	Dom. Engineer	400	17½	17	17	17
12	12	.60	5.0	Dom. Fabrics	nil	..	B12	A12	12
†20½	†20	1.50	7.3	Do. 2nd Pref.	nil	..	B20½	..	†20½
51¾	41¾	1.20	2.5	Dom. Fdry.	4808	46½	48¼	46¾	48
101½	97	4.50	4.6	Do. 4½% Pf.	150	97	97½	97¾	97½
98

Mining Stocks

WEEK ENDED OCT. 30, 1959

Range 1959 High	Low	Company & Dividend ($)	▲Sales	Last Oct. 23	Week Ending Oct. 30 High	Low	Close or latest
.45	.22	Abacus	78200	.29	.32	.25	.31
.13½	.06½	Acadia Ur.	18550	.11½	.11	.09½	.10½
.10	.04	Ad Astra	5500	.07	.06½	.06½	.06½
2.80	2.40	Advocate	2850	2.75	2.90	2.70	2.75
.42	.12	Agnew	nil		B.15	A.70	.15
.75	.30	Agnico	3828	.50	.58	.57	.58
.53	.36	Akaitcho	12000	.43	.43	.41	.41
.15	.06	Alba	nil				.07
17.50	12.25	Algom	3090	12.62½	14.25	12.75	12.75
.49	.19	Alscope	7800	.19	.11	.10	.10½
.45	.22	Amal. Lard.	1300	.22	.23	.22	.22
.18	.06	Amal. R.M.	9823	.08	.08	.07	.08
.06	.04	Amer'm.	2900	.04	.04	.04	.04
.91	.63	Am. Neph. .04	1140	.66	.70	.66	.70
.09½	.06	Amer Stand.	nil		B.06	A.08	.08
1.18	.60	Anacon	8317	.66	.68	.60	.68
14.00	10.62½	Anglo-Hur .50	1399	11.13½	11.50	11.12½	11.50
.45	.18½	Anglo-Rou.	4000	.20	.22	.20	.20
1.33	.12	Ansil	40968	.17	.16	.14	.16
.18	.03½	Anthonian	9500	.09	.09	.08	.09
.10	.02	Arcadia warr.	8000	.03½	.03	.03	.03
1.50	.75	Area	2650	.80	.90	.89	.90
.19	.06	Arjon	1000	.11	.10	.10	.10
.09	.04	Arno	16000	.05½	.07	.06	.06
.52	.45	Assoc. Arcadia	30525	.50	.51	.45	.45
2.70	2.00	At. Coast Cop.	3450	2.60	2.70	2.20	2.50
.15	.04	Atlas Sup.	7267	.05	.06	.02	.06
.15	.07½	Atlas Y'fe	1500	.08	.08	.08	.08
.23	.10	Atlin-Ruff	13000	.12	.13	.10½	.12
.68	.62	Aubelle	4200	.63	.63	.62½	.62½
.85	.36	Augustus	6695	.31	.31	.30	.31
.31	.05	Aull	19500	.06	.06	.05	.06½
.31½	.19	Aumacho	5500	.10	.11	.11	.11
.52	.45	Aumaque	17500	.07	.07	.06½	.07
3.15	2.50	Aunor .18	3000	2.75	2.72	2.65	2.70
.08	.03	Avillahona	9000	.02½	.02½	.02	.02

B

.33	.15	Baker Talc	1500	.16	.26	.16	.16
.06	.05	Band Ore	nil		B.05	A.05½	.05
.28	.16	Bankeno	4300	.20	.20	.18	.18
.10	.08	Bankfield	19000	.08	.08½	.08	.08½
1.94	1.24	Barnat	12233	1.30	1.37	1.32	1.33
.11	.04½	Barvallee	1600	.05	.05	.05	.05
.72	.55	Barymin *.03	1100	.55	.55	.55	.55
.26	.12	Base Metals	14100	.13½	.13½	.12	.12
.25	.10	Basku	28200	.12	.13	.11	.11½
1.30	.20	Bateman	182550	.45	.48	.42	.42
.10	.04	Beatrice	1000	.04	.04	.04	.04
.36	.16	B'tie-Dug.	39920	.18	.22	.18	.18
.85	.50	Beauce Placer	nil				.18
.27½	.09	Beaver L'ge	3000	.14	.15	.14	.14
1.32	.70	Beicher	28300	.72	.77	.71	.76
.84	.41	Bellechasse	13233	.50	.53	.50	.53
.13	.05½	Belle-Chib	16000	.05½	.05½	.05½	.05½
1.96	1.53	Belleterre *.05	800	1.70	1.72	1.70	1.70
2.05	.76	Bethle'm	2528	.80	1.00	.85	.85
.26	.13	Bevcon	3700	.15	.16	.14	.14
.27½	.09	Bibis-Yuk.	29000	.09½	.10½	.09	.09½
1.02	.51	Bicroft	4666	.65	.65	.63	.63
.24	.10	Bidcop	35850	.12	.12	.10	.10
.30	.09	Black Bay	4000	.09	.11	.09	.09
.08½	.02½	Bonville	12500	.03	.03	.02½	.02½
.10	.05	Borduase	4500	.06	.07	.06	.06
.15	.05	Bornite	9500	.05	.07	.05½	.07
.79	.45	Bouzan	125000	.54	.63	.55	.61
.15½	.07	Boymar	20300	.08	.08½	.08	.08½
6.55	5.70	Bralorne-P. .40	4356	6.00	6.10	5.75	5.80
.80	.45	Broulan	14120	.49	.51	.45	.50
.08½	.02	Brunhurst	16300	.02	.02½	.02	.02
.09	.03	Brunsman	15000	.02	.02½	.02	.02½
3.70	2.25	Brunswick	645	2.40	2.75	2.60	2.75
.39	.10	Buffadison	42500	.11½	.11	.10½	.10½
2.55	1.30	Buffalo Ank.	400	1.50	1.55	1.55	1.55
.09	.05½	Buff. R.L.	4300	.06	.06	.06	.06
4.65	3.30	Bulolo $.20	1000	3.95	4.00	3.95	4.00
.11	.07	Bunker Hill	8500	.08	.07	.07	.07
.42	.16	Burnt Hill	2500	.16	.17	.16	.17
.40	.10	Burrex	nil		B.10	A.20	.10

C

.26½	.12	Cable	7342	.13	.13	.12½	.12½
.46	.14½	Cadamet	10300	.15½	.16	.15	.15½
.07½	.03	Calumet	500	.03	.03½	.03½	.03½
10.50	5.70	Camp. Chib. Camp. R.L.	36790	6.80	7.50	6.55	6.55
12.50	10.00	.30+5.05	810	12.00	12.50	11.75	12.25
		Canadian					
.13	.06	Cdn. Ast.	7333	.06	.07	.06	.06
.75	.20	Cdn. Dyno	4787	.22	.23	.20	.20
.84	.30	Cdn. Mal.	8350	.37	.35	.33	.35
.40	.15	Cdn. N. Inca	3500	.18	.20	.18	.20
1.12	.32½	Cdn. N'west.	4216	.40	.40	.37	.39
.09	.05	Cdn. Thor	nil		B.05½	A.06½	.06
.10	.03½	Canaiask	12000	.04½	.04½	.04½	.04½
.31	.11	Canam	18750	.12	.14	.11	.14
.20	.11	Candore	4700	.12	.12	.12	.12
2.46	.35	Can-Erin	110308	1.37	1.44	1.31	1.38
2.07	.32	Can-Met	52585	.24½	.29	.22	.24
.55	.02½	Do. warr.	3350	.04½	.05	.03	.03
.50	.13	Canorama	28450	.46	.45	.44	.45
.14	.05	Canuba	40500	.05	.06	.05	.05
.07	.04½	Canusa	nil		B.04½	A.05	.05
.15	.06	Captain	13000	.08	.10	.08	.08
.36	.07	Carbec	9000	.08	.08	.08	.08
1.77	.78	Cariboo	33050	.90	1.09	.84	1.02
.69	.20	Cartier Q. Casiar Ash. .40+1.10	25300	.24	.23½	.20	.22
12.12½	9.40		9865	10.75	11.25	10.37½	11.25
5.80	4.75	Castle-Tre .10	100	5.30	5.40	5.40	5.40
2.10	.45	Cayzor	2300	.50	.50	.45	.50
.10	.03	Cen. Man.	1350	.04½	.04½	.02½	.04½
3.30	1.05	Cen. Pat.	7350	1.28	1.34	1.22	1.25
.35	.09	Cen. Pore.	14000	.11	.10½	.09	.09½
.08½	.04	Cheskirk	8500	.04	.04½	.04	.04
.53	.19	Chesterville	214140	.40	.43	.39	.41
.28	.15	Chib. Cop.	31000	.27	.28	.24	.24
.93	.43	Chib. Jac.	27050	.54	.62	.56	.56
.27½	.15	Chib. K'rand.	6000	.17	.18	.17	.17½
1.65	.72	Chib. Min.	9100	.82	.91	.81	.90
.20	.09	Chimo	13100	.54	.58	.55	.55
.12	.05	Chipman	3000	.06	.06	.06	.06
3.15	2.30	Chromium	3000	2.55	2.60	2.51	2.51
.22	.08	Cleveland	6500	.13	.10	.08	.09
....	....	Clix	nil				.13
4.00	2.30	Coast Cop.	180	2.74	2.70	2.70	2.70
4.10	2.80	Cochen'r 6.12	9130	3.30	3.25	2.95	2.99
.21	.08	Cody-Reco	500	.09	.09½	.09½	.09½
.19	.12½	Coin Lake	1782	.12½	.14	.13½	.14
.35	1.15	Coleman A	nil		B.35	A.39	1.35
.28	.25	Do. B	nil		B.35	A.39	1.35
.62	.02	Colomac	10000	.02½	.03	.02½	.03½
.30	.23	Comb. Met.	4000	.29½	.31	.30	.30
.41	.09	Commercial	7800	.10	.10	.09	.10
.18	.06	Cominga	nil		B.06	A.09	.08
.75	.43	Coniagas	13700	.50	.50	.47	.50
.44	.27	Coniaurum	500	.40	.38	.38	.38
.25	.20	Conkey	750	.23	.23	.23	.23
.15	.06	Cons. B'keno.	35300	.08	.07	.06	.07
.20	.07½	C. Beta	12167	.08	.12	.09	.11
.21	.06	C. Bi-Ore	1500	.10	.09	.08	.08
.19	.06	C. Callinan	4562	.09½	.10	.09½	.10
.08	.05	C. C. Cad.	7000	.05½	.05	.05	.05
....	....	C. Denison					
38.12½	11.00	A.1.00	23129	11.62½	12.75	11.50	12.37½
4.20	.50	Do. warr.	90560	.80	1.10	.75	.82
4.15	2.55	C. Dist'y 1.24	16150	4.00	4.05	3.90	3.95
.63	.37	C. Fenimore	1200	.27½	.30	.27	.30
.10½	.06½	C. Gillies	2300	.07½	.07	.07	.07
.37	.19	C. Gold. Arr.	8100	.28	.31	.27½	.29
....	....	C. Goldfield	nil				.03
1.65	.51	C. Hall'well	217300	.70	.75	.67	.69
4.50	2.50	C. Howey	980	2.70	2.90	2.65	2.70
.84	.34	C. Marbenor	8000	.29	.29	.25	.25
1.15	.46	C. Marcus	7850	.65	.64	.58	.60
2.55	1.34	C. Mogul	21650	1.38	1.50	1.38	1.49
.11	.07½	C. Monpas	2000	.09	.09	.09	.09
.44	.18	C. Morrison	10400	.28	.28	.28	.28
2.30	.62	C. Mosher	3800	.87	.87	.80	.80
.38	.13½	C. Negus	6450	.18	.19	.18	.18½
.08	.05	C. Nich.	5668	.05	.05	.05	.05
2.34	.34½	C. Northland	43800	.31	.36	.30½	.31½
.50	.10	C. Pershcourt	nil		B.09½	A.13	.10
.45	.30	C. Que. G.	nil		B.35	A.44	.30
.10½	.04½	C. Que. Y.	3600	.05	.05	.04½	.04½
.13½	.07	C. Red Pop.	1785	.08	.07	.07	.07
.28	.08	C. Regcourt	23060	.08½	.08½	.08	.08
.14	.06	C. San'rm	4500	.06	.06	.06	.06
....	....	C. Smelt.					
27.62½	17.37½	.80+1.20	23560	18.50	20.00	18.62½	19.87½
1.10	.41	C. Sud'ry	82345	.46	.59	.48	.55
.67	.49	Cont. Potash	900	.52	.54	.47	.50
9.30	2.50	Conwest	3572	3.95	4.10	3.70	3.95
.74	.31	Copper Corp.	23800	.32	.34	.30	.30
.16½	.06	Copper Man.	27000	.14	.14	.11	.14
2.50	1.50	Cop-Rand	38323	1.84	2.07	1.85	1.94
.58	.31	Coulee	21100	.35	.37	.32	.33
.13	.07½	Cournor	7000	.09	.09	.09	.09
1.30	.56	Cowichan	20450	.60	.61	.56	.58
9.15	2.65	Craigmont	50000	3.10	3.15	3.05	3.10
.12	.04	Crestaurum	nil		B.09	A.12½	.09
.13	.07	Croinor	5500	.07	.07½	.07	.07
.19	.09½	Crowpat	8730	.09½	.10	.09½	.09½
.18	.06	Cusco	17000	.06½	.07	.06	.06½

D, E, F

.40	.15	Daering	6781	.17	.16½	.16	.16
.74	.23	D'Aragon	31380	.36	.36½	.33	.34
.34	.11	Decoursey B.	5000	.15	.15	.15	.15
.35	.18	Deer Horn	16500	.19½	.19½	.17½	.17½
.19	.09½	D'Eldona	11100	.14½	.14	.13	.14
.74	.44	Delnite	nil		B.51	A.55	.57
.12	.08	Dickstone C.	nil		B.06		.06
.17	.06	Dolsan	nil		B.06	A.09½	.09½
21.12½	23.75	Dome .70	1200	17.75	18.25	17.62½	18.00
.15	.08	Donalda	13000	.08	.09	.08	.08
.46	.13	Duvan	78300	.17	.18	.15	.16
.16	.08	Duvex	12475	.06½	.07½	.06	.07
.16	.07	East Amph.	2500	.07	.07	.07	.07
2.15	1.26	East Mal.	2900	1.33	1.33	1.26	1.33
2.75	1.50	East Sull.	9555	1.65	1.70	1.61	1.61
2.13	.80	Elder	156675	1.51	1.67	1.40	1.47
.50	.30½	Eldrich	nil		B.34	A.35	.34
.14	.06	El Sol	6000	.06	.08	.08	.08
.65	.19½	Eureka	4500	.21	.22	.19½	.22
1.95	.06	Explor. Ali.	5481	.07½	.09	.08	.09
.33	.09	Fab. Met. Falconbridge	19000	.18½	.16	.14	.14
33.00	34.37½	1.30+2.20	5908	36.50	37.75	36.62½	37.50
.09½	.04	Fano	137500	.07	.08	.08½	.07
2.12	.60	Faraday	3520	.75	.73	.68	.68
.50	.09½	Do. warr.	9480	.01¼	.02	.01	.01
.13	.04	Farw't M.	2500	.11	.12	.11	.11
3.12	.34	Fatimo	13600	.43	.51	.47	.51
.01	.00½	Fim Fion	nil		B.00½	A.01	.00½
.07½	.04	Fontana *.03	1000	.04	.05	.04	.04
.50	.38	Forty-Four	nil		B.40		.35
.03	.05	Do. rts.	1000		.05	.05	.05
.11½	.05	Francoeur	6000	.05½	.08	.05	.07
.09½	.05	Friday	3000	.06	.05	.05	.05
2.75	1.61	Frobisher	9330	1.90	1.92	1.85	1.89
13.00	13.00	Do. 4% deb.	10	82.00	81.50	81.50	81.50
.23	.05	Fundy Bay	13500	.08½	.08	.07	.08

G, H

38.50	23.62½	Gaspe Cop.	nil		B39.00	A.36.00	25.50
24.50	15.87½	Geco	9580	17.00	17.62½	17.00	17.50
.30	.10½	Genex	1800	11½	.12	.11	.12
1.53	.80	Geo-Scient.	1233	.93	.90	.90	.90
.53	.09	Giant Mas.	24700	.20	.19	.18	.19
9.75	6.25	Giant Yk. .40	1677	8.75	9.15	8.70	9.10
.59	.32	Glacier	7700	.39	.30	.28	.28
.14	.07	Glenn Ur.	7800	.07	.08	.07	.07
.25	.16	Goldale	4500	.19	.19½	.16½	.16½
.49	.08	Gold Eagle	23000	.18	.16½	.09½	.09½
.62	.00½	Gold Lake	nil		B.01¼	A.02	.01¼
.80	.40	Gold. Age	2400	.45	.45	.45	.45
.46½	.24	Goldfields	19020	.29½	.28	.28	.28
8.00	6.60	Granby	3664	7.50	8.00	6.50	6.60
.38	.14	Grandroy	5305	.15	.16	.14	.14
2.25	1.00	Grandue	4450	1.43	1.45	1.30	1.39
.35	.16	Grandview	nil		B.14	A.25	.15
.01	.01	Great Falls	3000	.01	.01	.01	.01
.20	.03	Greyhawk	11000	.03	.03½	.03	.03
.31	.05½	Gui-Por Ur.	8950	.10	.10	.10	.10
.15	.05	Gulch	21500	.06	.06½	.06	.06½
.11	.07	Guif Lead	2000	.07	.07	.07	.07
19.00	9.75	Gunnar G.	13130	11.87½	11.87½	11.00	11.50
7.50	1.25	Do. warr.	13250	1.68	1.50	1.55	1.75
.10½	.04	Gwillim L.	8000	.05	.05½	.05	.05½
.10	.03½	Haitian	47000	.03½	.04½	.03½	.04
2.70	2.00	Hallnor 1.13	nil		B2.30	A3.00	2.30
.14	.10	Hard Rock	9940	.10	.11½	.10	.10
.25	.09	Harr. Min.	21900	.10½	.12	.09	.12
.25	.15	Hasaga	5000	.17	.17	.15	.17
.25½	.06½	H'd of Lakes	14500	.16	.17	.13	.13½
.58	.29	Headway	62700	.34½	.32	.28	.30
.11	.05	Heath	11020	.06	.06	.05	.06
.09	.02	Heva	11500	.02½	.02½	.02½	.02½
1.95	1.40	High.-Bell 1.05 Hollinger	400	1.46	1.59	1.50	1.59
35.50	28.25	.24+5.18	3305	29.87½	30.25	29.62½	29.75
5.25	4.00	Hoyle	1500	4.15	4.25	4.10	4.20
64.00	47.50	Hud. Bay 3.00	13848	47.75	53.00	47.62½	52.50
.20	.12	Hugh-Par	1000	.12½	.13½	.13½	.13½

I, J, K, L

.10	.02	Indusn L.	14500	.03	.03	.02½	.02½
.70	.32	Inspiration	2500	.36	.38	.36	.37
.38	.09	Int. Ceramic	50050	1.07	.11	.10	.11
101.00	83.00	Int. Nickl a2.60	10782	92.75	94.25	92.75	93.50
.41½	.10	Int. Molybd'm	19200	.10	.11	.10	.11
4.35	1.57	Irish Cop.	78408	1.90	2.08	1.83	1.87
3.25	1.60	Iron Bay	6800	2.25	2.35	2.00	2.00
.32	.30	Iso Mines	21500	.33	.34	.32	.34
.20	.10	Jack Waite	500	.12½	.12½	.12½	.12½
3.15	1.07	Jacobus	22750	1.39	1.50	1.33	1.43
.64	.24	Jaye	16068	.26	.30	.25	.25
.21	.07	Jellicoe	14600	.10½	.11½	.10	.10½
.34	.10	Joburke	13385	.10½	.11	.10	.11
.45	.25	Joliet Que.	6800	.25	.27	.25	.26
.26½	.12	Jonsmith	2400	.13½	.13½	.13	.13
.72	.38	R. J. Jowsey	5810	.40	.42	.40	.42
.14	.05	Kenville	14500	.05	.05	.05	.05
21.50	18.25	K-Add .80	7841	20.00	20.25	19.75	19.87½
4.10	2.35	Kilembe	6500	2.85	2.90	2.75	2.75
2.17	.61	Do. warr. C	3436	1.04	1.17	1.00	1.00
.88	.32	Kirk. Min.	15710	.38	.45	.38½	.43
.15½	.09	Kirk. Town.	2000	.11	.10	.09	.09
.10	.06½	Kontiki Lead.	nil		B.06½	A.07½	.06½
.02	.01½	Koot. Base.	nil				.01½
31.25	24.25	Labrador 1.25	3775	28.00	28.25	27.37½	28.00
1.47	.75	Lake Cinch	1600	.75	.80	.80	.80
1.50	.80	L. Dufault	56120	.72	.85	.74	.85
.11½	.07½	L. Lingman	2500	.07½	.07½	.07½	.07½
.34	.21	L. Osu	1500	.21	.21	.21	.21
5.80	4.25	L. Shore	1600	4.50	4.55	14.20	14.20
.38	.26	L. Wasa	8950	.30	.30	.30	.30
6.00	3.50	La Luz	260	4.10	4.25	4.25	4.25
3.75	2.61	Lamaque .20	1378	2.90	2.91	2.80	2.80
.35	.23	Latin Am.	14400	.23	.23	.23	.23
1.61	1.10	Leitch G. .06	11300	1.23	1.34	1.13	1.13
.17	.07	Lencourt	5000	.07½	.07	.07	.07
.06½	.03½	Lexindin	16200	.03½	.03½	.03½	.03½
.07	.03	Lingside	2000	.03	.03	.03	.02
.20	.08½	Lithium	nil		B.09	A.10	.09
2.48	1.61	Little L.L.	2725	1.75	1.77	1.61	1.70
.48	.15	Lorado Ur.	11100	.16	.16	.15	.15
.33	.06	Do. warr.	8650	.06	.07	.06	.06
.12	.06	Louvicourt	5000	.05	.06	.05	.06
.40	.11	Lyndhurst	6800	.14	.14	.12	.12
.22½	.07	Lynx Yk.	60100	.15	.13½	.12½	.13

M

3.10	2.66	Macassa .12	1765	2.95	2.95	2.87	2.95
.55	.35	MacDonald	4100	.39	.31	.28	.28
.16	.06	Macfie	94500	.06½	.06½	.06	.07½
1.47	1.04	Macleod Madsen R.L. .10+3.05	8539	1.05	1.05	1.04	1.04
3.45	2.35		8560	2.90	2.91	2.85	2.86
.18	.06	Magnet	36100	.13	.13	.12	.12½
.05	.02½	Majortrans	18300	.02½	.03½	.02½	.03½
1.25	1.04	Malartic	12800	1.14	1.14	1.11	1.11
.11	.05	Maneast Ur.	5000	.05	.05½	.05	.05
1.40	.65	Manitou-B.	nil		B.66	A1.00	.76
.42½	.13	Maralgo	14500	.15	.15½	.14½	.15
.17	.06½	Marcon	3500	.08	.07½	.06½	.06½
2.05	.98	Maritimes	147500	1.37	1.40	1.25	1.28
.47	.25½	Martin McN.	48400	.41	.42	.39	.39
....	....	Massberyle					.19
.22	.08	Matachewan	11500	.08½	.09	.08½	.09
.28	.13	Maybrun	7861	.16	.15½	.14	.14
95.00	80.00	McIntyre 2.00+11.00	1765	80.25	82.75	80.37½	82.75
.48	.34	McK. R.L.	7700	.38	.38	.35	.35
.12½	.07	McMarmac	7345	.07½	.08	.07	.07
.45	.25	McWatters	8250	.31	.32½	.30	.30
.25	.13	Mentor Exp.	6400	.14½	.14	.13	.13
1.90	.88	Merrill Is.	69750	1.20	1.29	1.15	1.17
.51	.08	Meta Ur.	4700	.09	.10	.08½	.08½
.55	.24	Mid-Chib.	700	.30	.30	.30	.30
1.00	.30	Midrim	6600	.53	.55	.50	.53
.33	.13	Midwest	20200	.21	.21	.16	.18
2.95	.95	Milliken L.	8370	1.01	1.05	1.00	1.00
.06	.06	Mindamar	nil		B.06	A.07	.06
16.37½	12.37½	Mng. Corp. 1.25	1607	12.62½	12.75	12.50	12.50
.27	.08	Min. Ore	21000	.09	.09½	.08	.08½
.21	.10	Mogador	7500	.10	.10	.10	.10
1.72	.75	Molyb'nite	1200	.75	.86	1.72	.80
1.25	.60	Moneta	6000	.70	.68	.67	.68
.30	.13	Monpre	9500	.16	.23	.16	.23
1.24	.43	Montgary	74300	.56	.74	.58	.71
1.04	.50	Mt. Wt. Iron	99350	.50	.55	.50	.51
.68	.38	Multi-Min.	2500	.45	.46	.43½	.43½

N

.39	.15	Nama Cr.	56116	.19	.19	.16½	.16½
.14	.06	Nat. Ex.	2200	.06	.07	1.05	.06½
.20	.05½	Naybena	27000	.06	.07	.06	.06
.16	.12½	Nello Min.	nil		B.13	A.14	.13
.36	.18	Nesbitt L.	4900	.18	.19	.18	.19
.08	.03	N. Ainsworth	1000	.03¼	.03	.03	.03
.12	.06	N. Alger	6000	.06	.06	.06	.06
.69	.25	N. Athona	4000	.30	.30	.27½	.27½
1.11½	.26	New Bid'e	26500	.09	.09	.09	.09
.43	.23	N. Calumet 1.02	5100	.25	.27½	.29	.27½
.02	.00	N. Cronin	nil				.28
.36	.16	N. Delhi	13050	.17	.20½	.16	.16
2.75	2.21	N. Dick'n .10+1.02½	8550	2.40	2.40	2.21	2.25
1.15	.74	N. Far North	nil			A.80	.74
.36½	.07	N. Formaque	34533	.19	.19	.16	.17
.11½	.06	N. G'dvue	3500	.06	.08½	.06	.06½
.17	.03	N. Hamil	3000	.03	.05½	.05	.05½
.15	.08½	N. Har'na	2000	.10	.10½	.10	.10½
1.53	.61	N. Hosco	111200	.78	.93	.77	.79
.10	.05½	N. Imperial	nil		B.07		.07
.05½	.04	N. Indian	nil		B.04	A.04½	.04
.12	.05	N. Jack Lk.	7500	.05½	.06	.05	.05
.12	.06	N. Jason	8000	.08½	.08½	.08	.08½
.37½	.06½	N. Kelore	37050	.11	.12½	.10	.11
.41	.18	Newlund	12730	.20	.22	.19	.20
.35	.20	N. Man.	18200	.43	.44	.39	.40
2.71	1.00	N. M'l'que	450300	1.23	1.25	1.00	1.10
.09½	.03	Newnorth	nil		B.05½	A.06	.06½
1.34	.50	N. Pac Coal	3500	.75	.67	.65	.75
.38	.10	N. Rouyn	9378	.11½	.12	.11	.11
.09½	.04	N. Santiago	11000	.04½	.04½	.04	.04½
.10	.03	N. Senator	13500	.05	.05	.05	.05
.19	.13½	N. Taku	1000	.13½	.13½	.13½	.13½
.08½	.04	N. Vinray	2000	.04½	.04½	.04½	.04½
1.15	.46	N.W. Amulet	16600	.81	.79	.70	.75
1.18	.50	Nickel M & S	49764	.58	.78	.52	.60
1.30	.50	Nickel Rim	1700	.56	.58	.53	.53
4.65	1.25	Nipissing	3200	1.50	1.55	1.50	1.50
.08½	.05	Nisto	2000	.05	.05	.05	.05
.38	.06	Nocano	6500	.10	.10	.08	.09
.30	.15	Nor. Acme	1000	.15	.15	.15	.15
58.00	44.25	Noranda 2.00	11968	47.25	48.50	47.25	47.25
.13½	.05	Norgold	3600	.06	.05½	.05	.05½
.43	.22	Norlartic	5750	.23	.24½	.23	.24½
4.50	3.00	Normetal 1.15	7305	3.85	3.85	3.45	3.45
.27	.10	Norpax

Cons. Discovery Extends Ore

Lower grade ore and high premium on the Canadian dollar were main factors in reduction of profit at **Consolidated Discovery Yellowknife** in the first nine months this year.

Net of $860,241 or 24c a share was down 7% from $712,554 or 26c a share in the same period last year.

Profit in the first half was off 4% from the same 1958 period.

Lateral work in the North Zone vein between the 2,900 and 3,350-ft. levels continues to reveal a sharp drop in the width of the vein, although grade is rising. The No. 4 vein which was a main source of ore to the 2,000 ft. level has reappeared on the 3,350-ft. level.

Initial work has intersected 66 ft. of ore grading .83 oz. per ton over 3.1 ft. portion of a 6 ft. wide zone.

New ore developed this year is expected to replace majority of ore milled and reserves are not expected to change much from the 135,000 tons proven at the beginning of the year, President J. C. Byrne states.

Here are the financial results for the first nine months:

	—First Nine Months— 1959	1958
Tons milled	38,223	37,946
Bullion	$2,093,315	$2,283,450
Profit after taxes	810,241	803,554
Outside exploration	150,000	91,000
Eq. net profit	660,241	712,554
Earnings per share	24c	26c

Question:

Is this the start of a bull market for oil and gas stocks?

Answer: Not exactly. It is more of a continuation of the bull trend which oil and gas stocks have been in for the past three months — ever since it became obvious the U. S. was going to allow imports of Canadian gas.

Question: What about the gas stocks I bought in the last boom. Will they come back to the prices I paid?

Answer: All depends on what you're holding. We will say this much, however, that the person who is locked into a gas stock has a better chance of breaking even than the trader locked into copper or nickel stocks. Generally speaking, most gas stocks do have investment merit and with not too much stock in the hands of the public, most issues will probably be able to make substantial comebacks in the next market boom.

Question: Then this is a good time to buy, isn't it?

Answer: Depends on the kind of profits you're hoping to make. If you're looking for a place to invest 5-10 thousand dollars for a year or two then there is no better time to buy gas stocks than now. But if you have only 2-3 hundred dollars to trade with, then wait for the next reaction to pick up depressed-price stock. In other words, the gas group is good for the long term but riskier for shorter term periods. A lot of stock has been peddled to weak hands in recent weeks and this stock has to be flushed out at lower prices before the group is technically ready to go higher.

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The CANADIAN ANALYST
351 Seneca St., Burlington, Ontario

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

BY FRANK KAPLAN

Stocks of oil and gas producers have attracted a brief flurry of interest which subsided quickly.

Spark was the decision by U. S. authorities to permit import of more Canadian gas. This approval had been expected.

The mild interest has carried oil and gas issues up about 8% from this year's lows but they are still down 24% from their highs as measured by the Toronto Stock Exchange western oil index.

	Latest Price	Mid Oct.	1959 High	1959 Low
	$	$	$	$
Bailey-Selburn	8	7.10	10¾	6.30
Calgary & Edmonton	23	22¼	35	19½
Canadian Devonian	4.35	3.40	6.05	3.20
Home Oil A	13⅝	12⅛	21	11⅝
Hudson's Bay	13⅞	12⅝	21⅝	12
Pacific Petroleums	12¼	11½	18⅜	10¾

A few lower-priced oil and gas issues also flurry briefly. **Titan** is hit hard as it sags to 24c from 50c, then rebounds to 34c with stock exchanges taking a look into trading in the issue. **Dynamic Petroleums,** another favorite of speculators, swings to $1.36 from a recent $1.20 level, then slips back to $1.30.

Southern Union, an oil which switched into mining with a Mattagami area property, is fairly active with the price holding at 21c after rising from 16c. Talk is of financing plans.

Central Del Rio is a strong spot among leaders as it rises from $5.10 to $5.75. **Fargo Oils** firms to $4.25 from $3.90 and **Dome Petroleum** at $9.75 is up from $9.15.

* * *

AMONG THE MINES—activity and interest was about the dullest in some time. Board rooms were quiet. **International Nickel** declares a 40c extra dividend along with its regular 65c payment bringing total payments to $3, compared with $2.60 in 1958 and $3.75 in 1957. Inco shares at $93 are up from $91¾ in mid-month.

Troubles among some uraniums are emphasized by **Can-Met** annual meeting where it is revealed that the property is running out of mineable ore. Can-Met shares at 22c are off from 33c. **Stanrock Uranium,** in receivership, reports figures showing its efforts to work its way clear of operating problems. The shares hold steady at 45c.

Another uranium where investors are holding their breath is **Lorado** which has been having trouble getting ore for its custom mill. The shares stay at 16c.

* * *

Interim earnings reports for the first nine months generally show improvement over last year, although third quarter results are less favorable in some instances. Better prices for copper and zinc are a help, but the 6% exchange premium is cutting into profits.

Canadian copper is boosted to 30c lb. from 29c, indicating a slightly higher level than the U. S. producers price of 31.5c in U. S. currency.

However, strikes have shut down most U. S. output. American copper users are buying Canadian copper and have to absorb 1.7c lb. tariff levied by the U. S.

But gold producers have had to absorb a reduction in price. October average was $33.17 per oz., down from $33.99 a year earlier.

Here are some latest earnings.

	Latest Price	1959 High	1959 Low	Net Per Share First 9 Months 1959	1958
	$	$	$		
Geco	17⅝	24½	15⅝	$1.20	$1.23
Normetal	3.50	4.50	3.00	.26	.11
Quemont	10¾	15¼	9.50	.75	.58
Cons. Discovery	3.85	4.15	3.55	.24	.26
Campbell Red Lake	12¼	12½	10	.32	.31
Hudson Bay	53	64	47½	2.47	1.81
Dome	17¾	21⅛	15¾	.66	.67

Company Report

Mining

YELLOWKNIFE BEAR MINES had a net profit of $74,722 in the year ended June 30, 1959, little changed from $75,966 the previous year.

J. Bradley Streit, president, notes that net current asset position has improved because some of the major interests were converted to public companies. At $5,648,281, net current assets are equal to $1.35 per Yellowknife Bear share. This excludes holdings in **Florida West Coast Land** and other assets.

Yellowknife Bear received 400,000 shares of Florida West Coast Land, representing a 20% interest.

Inauguration of 10c quarterly dividends by Giant Yellowknife will increase income through holdings of 481,820 shares. Negotiations are under way by **Midcon Oil & Gas** to sell its interests in the Etzikon gas field for $2 million to $3 million. A total of 147,000 shares are held.

INCOME ACCOUNT

Years Ended June 30:	1959	1958
Net inc. from int., divds., etc.	$153,440	$172,361
Less: Expl. & dev. exps.	8,001	7,085
Admin. exps.	70,717	89,310
Net profit & surp.	74,722	75,966
Earned per Share	$0.016	$0.016
None paid.		
Shares o/s as at June 30:		
Common, $1 par	4,814,041	4,814,041

CONDENSED BALANCE SHEET

As at June 30:	1959	1958
Cash	$21,387	$41,427
Accts. rec., prepds.	277	6,180
Total curr. assets	21,664	47,607
Mktble. secs.†	5,630,512	*4,315,060
Shs., adv., subs.	48,198	47,307
Adv. & loans to other cos.	349,768	378,344
Other invests.*	151,814	131,797
Oil partic.	.....	419,846
Fixed assets, cln.	8,013	34,414
Def explor.	312,539	312,539
Other assets	2,501	32,502
Total assets	6,775,009	5,919,416
Call loan	251,724	673,019
Accts. pay	2,171	3,060
Total curr. liab.	253,895	676,979
Capital stock	4,814,041	4,814,041
Earned surplus	1,707,073	429,396
†Market value	6,263,757	4,321,779
*After deducting reserve.		
Working capital	▲232,231	▲628,472

▲Not including marketable investments.
▲Excess of curr. liabs. over curr. assets.

Rio Tinto, Dow Buy Processor

The **Rio Tinto** organization, already holding interest in a thorium producing plant in Ontario's Blind River uranium camp, is moving into the end product field for thorium products.

In association with interests of **Dow Chemical,** Rio Tinto, London, has purchased the share capital of **Thorium Limited,** a U.K. firm engaged in the processing and distribution of thorium and cerium salts.

Since May 1959, Rio Tinto and Dow have been operating a $1 million thorium extraction plant at Blind River.

Mining Corp. Group Firms Profits Rise With Prices

This week the base metal producers in the **Mining Corp. of Canada** group reported earnings for the first nine months 1959.

The box score—two up and one down.

Biggest factor in the changes was metal prices. All base metals have held at higher prices than in the corresponding period of last year.

Normetal Mining Corp. turned in a profit of $988,000 or 26.3c a share in the latest period, more than double the $404,000 or 10.8c a share of the same period last year. In the first half Normetal reported a 350% gain in profits at $805,000 ($178,000).

Here are the Normetal operating results:

	—First Nine Months— 1959	1958
Tons milled	282,268	259,881
Depreciation	$85,900	$101,500
Est. net profit	988,000	404,000
Earnings per share	26.3c	10.8c

Quemont Mining Corp., the other northwestern Quebec copper producer, scored a gain of 27% in net profit. In the first nine months of this year profit was $1,583,000 or 75c a share up from $1,228,000 or 58.4c a share in the same period last year. Lower depreciation was one factor in the improvement. In the first six months profits climbed 52%.

Financial results for the nine-month period follow:

	—First Nine Months— 1959	1958
Tons milled	417,536	645,479
Depreciation	$467,000	$340,500
Est. net profit	1,583,000	1,228,000
Earnings per share	75c	58.4c

The biggest producer in the Mining Corp. chain, **Geco Mines,** reported a small drop in earnings. Estimated net profit for the period to Sept. 30, 1959 was $3,612,900 or $1.20 a share, down from $3,679,500 or $1.23 a share last year. In the first six months profits were up 33%.

Geco has pared its loan from Mining Corp. by $4.4 million leaving a balance of $5,160,000 still outstanding, President N. C. Urquhart states. Capital expenditures during the period totaled $1,478,924.

It is expected that the No. 3 shaft will be completed to target of 2,520 ft. by the end of the year. At the end of September it had reached depth of 2,133 ft.

Nine-month operating results of Geco follow:

	—First Nine Months— 1959	1958
Tons milled	962,667	961,263
Depreciation	$1,366,200	$1,257,500
Est. net profit	3,612,900	3,679,500
Earnings per share	$1.20	$1.23

Can-Met Waits Decision On Plan to Extend Life

Can-Met Explorations rapidly running out of uranium, is anxiously waiting for a government decision on a plan to extend its life. It should come soon.

S. B. Roman, Can-Met president, wouldn't tell the annual meeting details of the plan submitted to Ottawa on June 10 "when it first became apparent that the mine was in trouble".

When presented, the brief made provision for a program which would have resulted in complete repayment of funded debt and other creditors, he said.

However, he added that "I don't know whether this would still be true."

(The annual report (**FP,** Oct. 31) showed funded debt of $14.9 million, bank loans of more than $6 million and other accounts payable of more than $4 million at April 30. Total current assets were $3.4 million.)

Whatever the plan presented to Ottawa might contain, it would likely involve a change in its contract for delivery of $79 million of uranium concentrates by March 31, 1963.

This contract is with crown-owned **Eldorado Mining & Refining** which acts for the U. S. Atomic Energy Commission.

Therefore, U. S. AEC approval would be required.

Possible approaches for Can-Met could include obtaining permission to buy ore from another mine (likely **Consolidated Denison**) or selling its contract to another company.

Can-Met has only a few months' ore left. Unless it can obtain ore from another mine, it will have to close down its 3,000-ton daily capacity mill, possibly as early as next year. Resulting bankruptcy would likely mean that creditors would receive only token payments.

There is no hope of finding enough ore on the Can-Met claims, President S. B. Roman told shareholders at the annual meeting. (Roman also heads Consolidated Denison, the biggest Blind River producer, which adjoins Can-Met.)

Nearly 90% of the potential ore-bearing ground has been explored. An intensive probe is now under way on the remaining 10% — a small area adjacent to Consolidated Denison.

But even if the probe is successful, not more than 500,000 tons of ore could be developed in the area, John Kostiuk, general manager, stated. It will be about 2½ months before a good look at the ground can be completed.

Most optimistic view is that the company could continue operations into early 1961 without outside ore.

Reserves are known to be about 1 million tons at present, but because of mining problems it is not known how much of this can be mined.

If the plan is buy ore, U. S. AEC approval prospects are dim in the light of growing protectionism movement in the U. S. uranium industry. AEC, which buys Canadian production, has recently been accused of "renovating old and dusty obligations", which had previously been set aside, in order to take up ore from contract extensions for **Pronto** and **Gunnar.**

ANNOUNCEMENT

SIDNEY ROOFING & PAPER CO. LTD.

D. M. JACQUEST, C.A.

The appointment of D. M. Jacquest, C.A. as Vice-President, Finance, Sidney Roofing & Paper Company Limited has been announced by Mr. J. A. Craig, President of the Company. Mr. Jacquest, for the past few years, was Controller of a large food-distributing company and joined Sidney a short time ago, as assistant to the President.

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MONTREAL • TORONTO • WINNIPEG • VANCOUVER MILLS AT ST. JEROME & AT MONT ROLLAND, QUE.

Position of Chartered Banks of Canada as at September 30, 1959, Shown by Monthly Returns to Minister of Finance

(Amounts in thousands of dollars)

ASSETS

NAME OF BANK	Gold & coin in Canada	Gold & coin outside Canada	Notes & deposits with Bk. of Can.	Gov. and bk. notes other than Can.	Dep. with oth. banks in Can. currency	Deposits with oth. bks. in currencies oth. than Can.	Cheques and oth. items in transit, net	Gov. of Can. treasury bills	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Sec.	Municipal Sec.	Other Can. Sec.	Securities oth. than Can.	Mtges.	Call and short loans in Can.	Call and short loans outside Can.	Loans to Can. Prov. Gov.	Loans to municipalities	Other current loans in Can.	Other current loans outside Can.	Non-current loans	Bank premises	Shares and loans to corporations	Letters of credit	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	5,997	23	210,009	4,854	1,543	80,786	196,928	212,875	39,521	386,322	68,318	38,399	106,286	60,590	221,324	23,580	127,310	14,596	80,704	1,237,016	49,004	478	45,578	9,216	44,991	1,347	3,729,437
Nova Scotia	2,240	449	75,916	8,321	96	23,629	98,483	81,853	52,777	115,734	21,361	18,352	42,307	46,225	52,613	15,668	124,608	460	14,179	699,177	271,142	1	20,573	8,200	29,141	1,171	1,423,058
Toronto-Dominion	3,182	2	114,223	3,284	1,035	19,575	112,963	108,230	41,082	158,110	63,659	30,316	43,675	34,279	97,702	18,010	153,736	1,753	19,923	705,200	35,478	106	23,945	.....	39,141	371	1,909,893
Provinciale	856	.....	20,847	646	.....	992	22,740	22,848	15,568	32,964	17,925	12,378	8,827	102	4,322	6,327	.....	627	23,521	144,770	.....	1	4,925	3,296	1,337	387	246,206
Commerce	4,424	101	213,608	4,000	943	51,994	122,393	184,084	111,063	230,400	46,932	38,552	82,676	139,327	185,683	38,090	179,669	6,088	31,461	1,068,132	100,946	422	36,723	19,718	31,794	1,383	2,951,111
Royal	4,959	934	223,568	22,999	791	170,727	125,740	222,877	92,834	387,348	100,302	42,698	218,356	219,799	287,305	20,804	206,402	19,830	53,727	1,166,479	254,661	287	45,798	4,813	71,855	622	3,976,415
Nationale	1,584	.....	58,070	990	27	4,257	39,241	13,842	34,696	88,857	33,436	22,041	9,308	1,734	23,481	4,043	.....	1,502	53,362	335,171	381	40	9,575	.....	2,554	96	727,479
Imperial	1,993	.....	64,312	1,332	216	16,402	61,963	71,229	29,429	71,919	19,423	10,365	16,199	2,604	53,462	16,561	32,597	172	9,872	467,724	11,636	48	10,576	6,145	16,939	170	986,295
Mercantile	10	.....	1,882	44	59	15,643	1,171	1,018	3,317	1,224	.....	60	.....	504	.....	849	2,419	.....	.....	11,971	12,525	36	260	.....	1,568	111	55,018
TOTAL	25,245	1,514	962,437	48,470	4,710	356,004	783,219	918,846	420,394	1,474,778	370,356	213,161	527,633	505,154	925,891	155,932	836,561	44,988	285,949	5,855,650	736,173	1,417	197,956	50,479	218,809	5,987	19,915,543

(Amounts in thousands of dollars)

LIABILITIES

NAME OF BANK	Deposits by Govt. of Canada in Can. currency	Deposits by Canadian prov. govt. in Cdn. currency	Deposits by oth. banks in Cdn. currency	Deposits by other banks in curr. oth. than Cdn.	Personal savings dep. in Cdn.	Notice deposits in Cdn. Curr.	Demand deposits in Cdn. currency	Other deposits in currencies oth. than Cdn.	Adv. from Bk. of Can. secured	Acceptances, guarantees and letters of credit	Other liabilities	Capital paid up	Rest account	Undivided profits at latest fiscal year end	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	21,331	52,051	43,684	81,225	1,813,513	65,335	873,477	230,587	.....	44,901	10,510	80,631	137,566	1,500	3,729,457
Nova Scotia	5,658	9,598	7,173	214,146	736,980	47,573	360,800	318,842	.....	27,633	8,288	21,869	64,706	86	1,823,058
Toronto-Dominion	4,208	19,086	13,310	119,926	843,371	56,161	443,817	196,735	.....	20,141	6,966	23,995	57,582	549	1,909,893
Provinciale	1,980	2,643	519	4,865	184,037	40,087	92,300	641	.....	1,337	963	6,991	9,787	150	346,206
Commerce	11,063	29,932	18,035	127,847	1,368,388	90,194	773,084	316,578	.....	31,794	9,391	53,956	119,702	1,167	2,951,111
Royal	11,128	18,717	24,752	192,318	1,572,106	130,126	1,015,100	675,503	.....	71,855	14,845	80,480	188,920	363	3,976,413
Nationale	4,412	4,437	2,261	504	432,331	61,163	181,737	4,875	.....	2,554	2,015	9,839	30,518	833	727,479
Imperial	3,704	42,827	7,176	24,393	486,191	30,756	283,679	21,060	.....	16,939	3,860	30,400	40,301	118	986,295
Mercantile	16	43	2,096	16,254	1,818	2,990	5,233	22,044	.....	1,568	106	3,000	1	1	55,018
TOTAL	62,500	179,332	121,005	761,578	7,239,717	567,395	4,011,217	1,788,885	.....	218,869	56,943	353,951	649,386	5,043	19,915,563

Joe Hirshhorn Winning Long-Shot Gas Gamble?

Northeastern B. C. natural gas play getting hotter. Hot enough to boost these shares from $5 to $18 . . .

By FRANK KAPLAN

Developments in what's expected to be one of the hottest natural gas exploration areas in Western Canada this year are helping to make a 10-year-old long-shot gamble pay off.

The area: Northeastern corner of British Columbia, where several major gas discovery wells were drilled last season.

It's about 200 mi. north of the present terminus of the **Westcoast Transmission** gas line and about 50 mi. from the end of a planned extension of this line to tap Fort Nelson area gas.

The gamble involves one of Canada's biggest long-shot players: J. H. Hirshhorn, U.S.-born entrepreneur, whose big success was backing the discovery of uranium in the Blind River area.

His main vehicle for this gas venture: **British Columbia Oil Lands Ltd.** which in 1952 took over large acreage acquired by Hirshhorn interests.

An indication of how Hirshhorn's gamble is paying off:

Shares of B.C. Oil Lands common have been quoted recently at $16.50-$18.50 on the over-the-counter market.

Original buyers of B.C. Oil shares in 1952 paid $5.25 a share and were given the right to buy three warrants at 5c each for every 10 shares purchased.

Hirshhorn bought 50,000 warrants at 5c to buy common shares at $6.25 until July 31, 1962, a 1952 prospectus shows.

The warrants are quoted at $11.50 bid, $14 asked.

A year ago, before the three gas discoveries in the area, B.C. Oil Lands common was quoted at $2.50-$3.50. There was no quotation on the warrants.

Other companies involved include **Fargo Oils, Devon Palmer Oil, Prairie Oil Royalties, Place Gas & Oil.**

This season (throughout the winter when this muskeg-ridden ground is firm enough to carry vehicles), some 20 wells are expected to be drilled in following up three gas discoveries in this corner of B. C.

This will mean a total expenditure of something like $3 million.

If it clicks, it may also mean more gas for the Westcoast line, which is hoping to be a bigger supplier to the U. S. west coast.

According to Hirshhorn's information, the planned drilling breaks down something like this:

In the Beaver River area, two wildcats are expected to be drilled as a follow-up to a gas discovery by **Pan American Petroleum.**

In the Clark Lake - Kotcho Lake area, two wildcats are expected to be put down. This is near the **Gulf States Oil Co. of Canada** and **El Paso Natural Gas** discovery at Kotcho Lake.

Two development wells are expected to be drilled as follow-ups to Kotcho Lake discovery.

Third discovery well in the area was at Petitot River, also drilled by Gulf States and El Paso. Four development wells are expected to follow up.

Just north of British Columbia in neighboring Northwest Territories, three wildcats are planned by the **Home Oil-Signal Oil** group on an interest purchased from **Canada Southern Oils.**

These projects are along the circumference of a circle with a diameter of 100 mi. At the southern end is the Fort Nelson field which Westcoast Transmission expects to tap.

Within this circle of gas exploration and development is Hirshhorn's gamble — British Columbia Oil Lands.

And within the centre of this 100 - mi. diameter circle, four wildcats are planned by Pan American on ground farmed out from Hirshhorn's venture. The Gulf States group is expected to drill three wildcats on its farmout.

These 20 wells have their origin in a party conversation with a leading U. S. oil geologist in 1949.

Hirshhorn learned at that time that the sediments in the northeastern corner of British Columbia offered the possibility of containing some of the thickest oil and gas pay zones in the world, that it one day would be hot exploration country.

He also understood that a group of international oil companies had been working quietly in the area for about eight years and had spent something like $10 million in exploring oil and gas possibilities in the north.

But they had not come into the open to obtain exploration permits which would tie up all promising ground.

That was Hirshhorn's chance. Forever stirring activity wherever his speculative interest is attracted, he quickly obtained exploration permits on some 2.6 million acres in northeastern B.C.

Through U. S. banking houses, he raised $1.5 million for British Columbia Oil Lands, drilled a well (B.C. Oil-Bekami Lake) which gave three oil showings but was capped and not completed, then arranged for a series of farmouts which brought in Pan American (formerly Standard Oil of Indiana), El Paso, General American Oil, Gulf States.

He farmed out 1.5 million acres to Pan American and 1.1 million to Fargo Oils which in turn, turned over property to major operators.

The original formation of B.C. Oil Lands resulted in Devon Palmer Oils, Prairie Oil Royalties, **Pyramid Oil & Gas** and other Hirshhorn - backed companies participating in the venture.

Devon Palmer has about 330,000 B.C. Oil shares (39% interest) and also has an interest in Prairie Oil which holds 87,661 B.C. Oil shares.

B.C. Oil Lands is sitting smack in the centre of this hot corner of B. C. with one discovery well on its property (Kotcho Lake) and unofficial reports of a second successful find at Poplar Hills.

Its farmout policy has left the company with interests varying from 12½% to 50% (interest held in Kotcho Lake area is 25%) in 2,028,365 acres within the circle.

The 10-year gamble growing out of idle cocktail hour conversation has reached a key point. Many of the answers on the final payoff now should come rapidly as wells are completed.

Asset Sale Helps Granby Profits

Granby Mining Co. had a net profit of $18,589 or 4.1c a share in the nine months ended Sept. 30, 1959.

The profit, despite a third-quarter loss of $132,046 or 29.1c a share, reflects a $239,899 gain on the sale of fixed assets during the first half.

Comparable figures are not available from last year, as none of the company's subsidiaries were operating.

Gross income for the nine months of 1959 was $853,820 including $567,028 from mining operations.

Operating expenses were $412,172 while administration, depreciation and exploration expenses totaled $423,059.

From April of this year, **Phoenix Copper Co.**, an operating subsidiary, has earned an operating profit of $82,701. However, since mid-August, Phoenix has been stockpiling concentrate. The strike in the U. S. copper industry has closed the smelter to which Phoenix shipped.

An increase in production at the Ironsides mine is planned. Development work has revealed sufficient ore to justify an increase to 1,000 tons per day, President T. L. Postle states.

ANNOUNCEMENT

SERVOMECHANISMS (CANADA) LIMITED

DONALD C. STEWART

IRVING M. LISS

JOHN H. PILE

Mr. William W. Shannon, President of Servomechanisms, Inc., Hawthorne, California, is pleased to announce the following administrative changes in the organization of the company's Canadian subsidiary, Servomechanisms (Canada) Limited, located in Rexdale, Ontario.

Mr. Croydon H. Hartley, Director of Foreign Activities for Servomechanisms, Inc., and President of Servomechanisms (Canada) Limited for the past five years, has been appointed Customer Liaison Manager for the parent company.

Mr. Donald C. Stewart, General Manager, is promoted to the position of President of the Canadian subsidiary. Mr. Irving M. Liss is appointed Director of Engineering and Sales, and Mr. John H. Pile is appointed Chief of Technical Sales. Both Mr. Liss and Mr. Pile were associated with Avro Aircraft Limited before joining Servomechanisms (Canada) Limited.

The purpose of these changes is to increase the Canadian company's participation in the U.S./Canadian Defence Production Sharing program and to expand the present product line to cover both the industrial and consumer product field.

Report Reveals Stanrock Gains

The first of a series of monthly reports has been issued covering operations of **Stanrock Uranium Mines.** It reveals that since Stanrock went into receivership finances have steadily improved.

In the struggle to generate sufficient funds to pay off banks, funded debt and other creditors, the managers have shown month by month improvement in operations.

Operating profits have climbed from $464,441 for the period from May 25 to June 30, to $761,746, in the month of September. Operating costs have been pared from $12.57 in the June period to $10.95 in September.

ANNOUNCEMENT

TORONTO-DOMINION BANK APPOINTMENT

R. GORDON HUMPHRIES, P.ENG.

The Toronto-Dominion Bank takes pleasure in announcing the appointment of R. Gordon Humphries to the post of Petroleum Engineer in their Calgary Oil and Gas Department.

Mr. Humphries is well-known throughout the oil industry. He graduated from the University of Alberta in 1949 and during the intervening period has been employed as a Petroleum Engineer in Western Canada.

Effective November 1st, Mr. Humphries will be located at the Oil and Gas Department offices at 116—8th Avenue West in Calgary.

FROM STOCK
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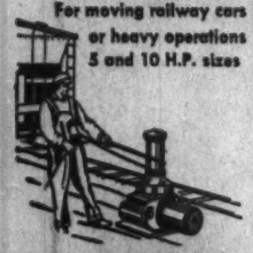

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ANNOUNCEMENT

TEXACO DIRECTOR

C. C. DUNN

Appointment of C. C. Dunn, Vice-President, Sales, Texaco Canada Limited, as a Director of the company, is announced by President A. N. Lilley, following a meeting of the Board. Mr. Dunn, a graduate of the U.S. Naval Academy, joined The Texas Company (now Texaco Inc.) in 1932 where he gained wide experience in sales operations. He came to Canada in 1951.

Dome Earnings Change Little

Dome Mines, celebrating its 50th year of production from its Porcupine area gold mine, has held earnings close to last year's level, despite lower grade of ore.

In the first nine months of 1959 net profit was estimated at $1,284,185 or 66c a share, down 2% from $1,313,644 or 67c a share in the same period of the previous year.

In the first half, net was reported up 3% from the first six months of 19588.

Operating costs were cut by 14c a ton to $7.93 in the latest period, but this was more than offset by drop in grade of ore and increased outside exploration costs.

Here are the operating results:

	—First Nine Months— 1959	1958
Tons milled	534,700	530,000
Bullion	$4,368,064	$4,382,263
Cost-aid	483,000	470,000
Other income	1,004,107	996,309
Operating costs	4,187,086	4,225,428
Depreciation	112,900	111,500
Mining tax	26,000	24,000
Outside exploration	175,000	150,000
Income taxes	70,000	24,000
Est. net profit	1,284,185	1,313,644
Earnings per share	66c	67c

STRATHCONA DRILLING

Detailed geological mapping has turned up a copper zone on the Kenora district property of **Strathcona Mines.** Trenching is now under way on the zone which is about 340 ft. north of the shaft on the former gold-producing property. Diamond drilling is also under way to seek extension of the gold zone to depth of 800 ft.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission

BIDCOP MINES, option installment covering 200,000 shares at 15c a share not exercised and agreement terminated.

CAN-FER MINES, prospectus filed with OSC in respect of underwriting of 150,000 shares at $1.15 per share and option granted to president on 50,000 shares at $1.15 a share.

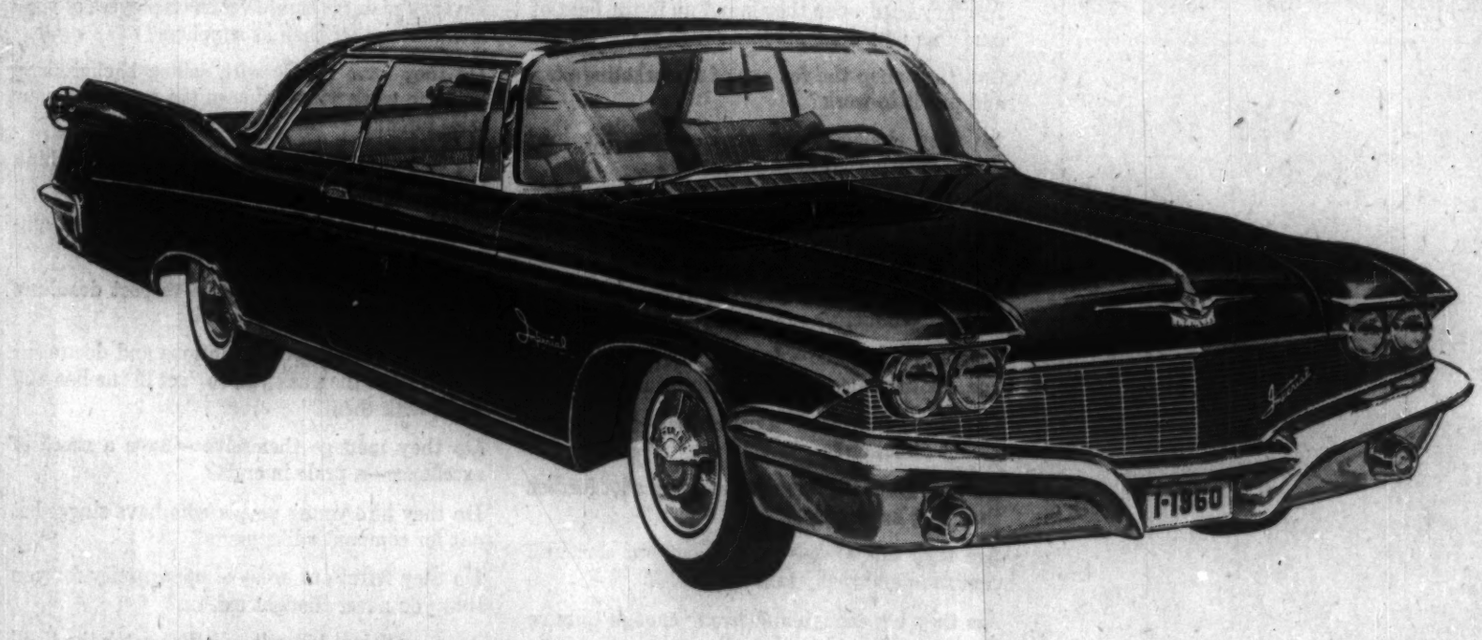
INTERNATIONAL MOLYBDENUM MINES, option installment covering 100,000 shares at 25c a share not exercised and agreement terminated.

NORTH COLDSTREAM MINES, received payment covering option installment of 150,000 shares at $1 a share.

YALE LEAD & ZINC MINES, has been granted 10-month extension on option to acquire 26 claims in the Yukon.

PRESENTING

THE IMPERIAL OF 1960



Now, at last, a luxurious motorcar that doesn't ask you to accept luxury alone as the final measure of its goodness.

A car that revives many of the almost forgotten hand-crafts which built the great classic cars of an earlier day.

It is assembled slowly. Once again there's time to fit each door by hand . . . to level a body precisely on its base so the car will move solid and true on the road. Time to smooth and polish every body seam into invisibility . . . and time for the exhaustive inspection of *every* car . . . not every fifth or tenth. Every Imperial, for example, is thoroughly road-tested at the factory.

The Imperial of 1960 offers an exclusive, improved Auto-Pilot. You may order swivel seats which provide for the easiest entry and exit ever devised in a motorcar. Doors are high, broad so you enter and leave more easily. Its passenger compartments are huge. Even the steering wheel is a different, more practical shape.

It drives and handles as if it were a thousand pounds lighter than it weighs. It responds with a liveliness you don't expect from a car its size. And its riding quality will not be equaled until the other fine cars come, finally, to torsion-bar suspensions.

But, interesting as all its new features are . . . the one great fact of Imperial's goodness is the patient manner of its building and assembly.

We think you'll want to compare Imperial with other cars you know about . . . and we cordially invite you to do so . . . soon.

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Can they chop the fat out of a marketing plan and put it to work?

Do they challenge the obvious—put life into things that looked dead yesterday?

Do they stretch your thinking—stimulate you and widen your perception of the things you talk about?

Do they know when and how to use research—make it productive—make it practical?

Are they organized—do they show respect for one another—learn from their senior people?

Can they "force feed" a promotion—change it—give it direction?

Do they know that creativeness goes a lot further than just having ideas?

Are their ads alive—do they cut out semantic confusion and really talk to people?

Are they big enough and strong enough to have the contacts you need in the trade—in public relations?

Are they effectively represented in every major Canadian marketing area by their own people?

Are they smart—a centre of awareness that contributes to the full sweep of your thinking and planning?

Do they put a "hot working group" on your problems and keep them there?

Do they picture themselves as employees of your company rather than as suppliers?

Do they have people with selling backgrounds who can work with and earn the respect of your sales force?

Do they give you a hard time when they think you are wrong?

Are they market-wise—do they show animal cunning and timing as well as book learning?

Do they do their homework—respect deadlines set schedules and meet them?

Do they make recommendations and document them rather than ask you to "get in the box and guess with them?"

Do they manage themselves—have a sense of excellence—a pride in craft?

Do they hire young people who have slugged it out for companies like yours?

Do they ferret out areas of opportunity for you that you never thought existed?

Are they "giant killers"—do they catch the thrill of a business victory?

Do they have the respect of their trade—publishers—printers—other agencies?

Do they do things for you that you couldn't possibly do for yourself even if you did have the time and people?

Do they have a sense of destiny—are they hungry for success?

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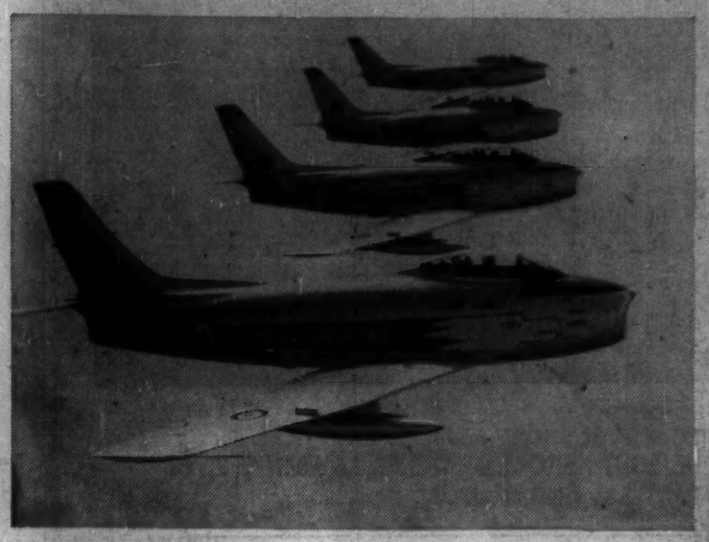
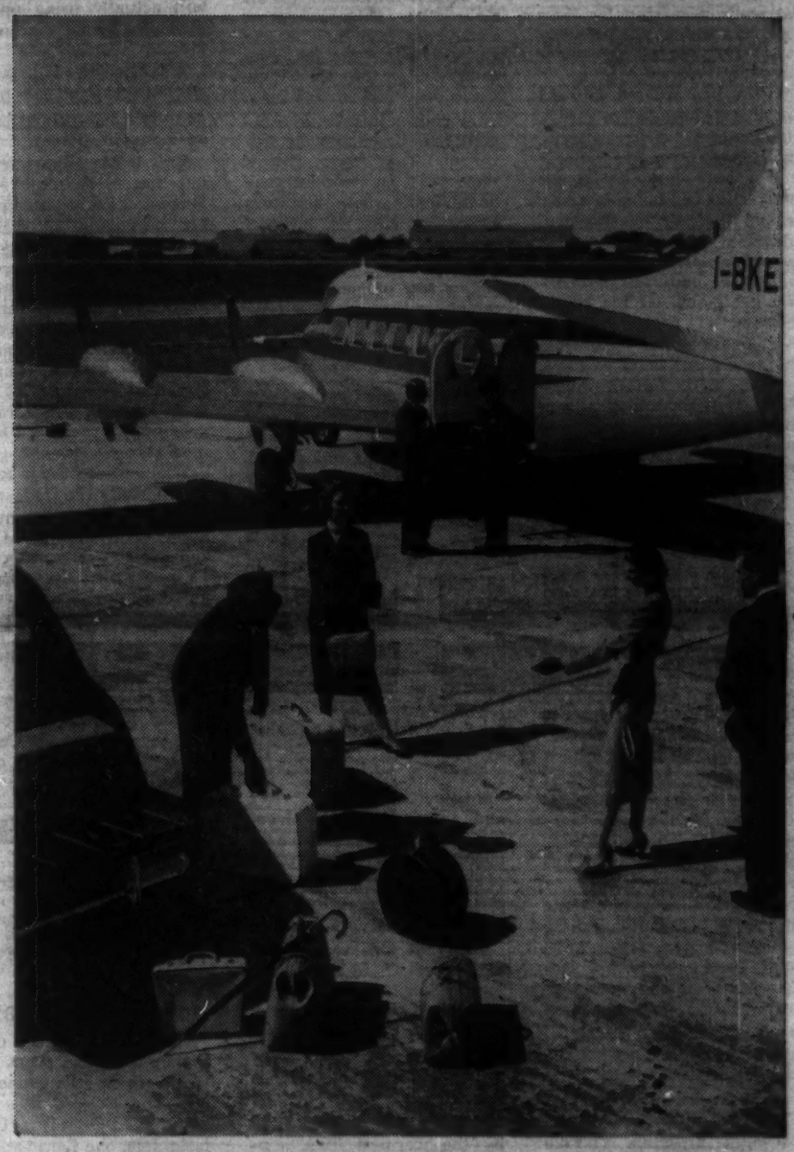
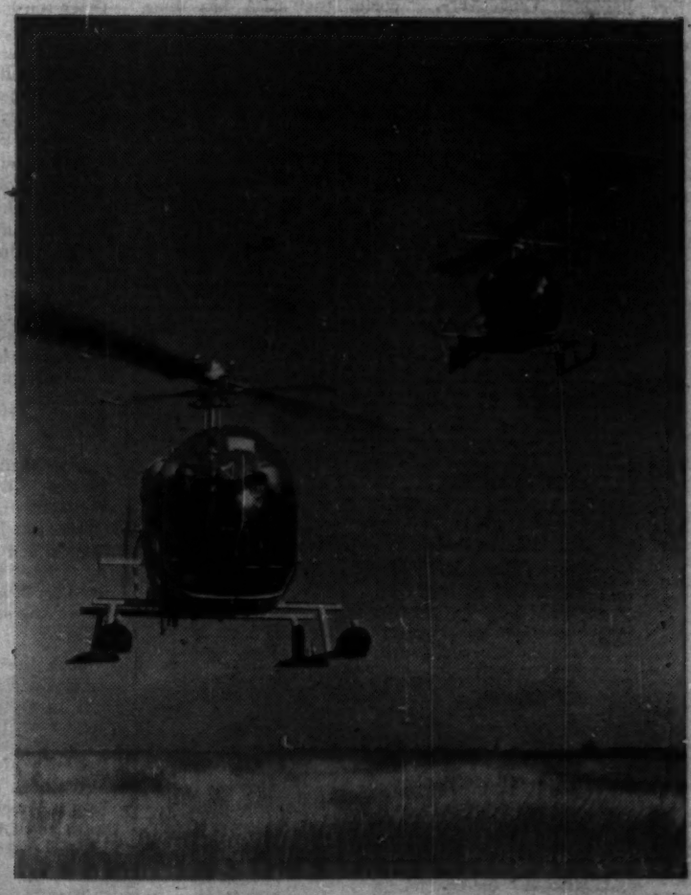


AVIATION

A FEATURE REPORT

Canada's aviation industry looks back on an erratic but distinguished 50 years and ahead to a strangely mixed future of rich opportunities and nagging doubts. Both manufacturing and operating companies are looking hard for the new trends and patterns that will govern their course during the years ahead. Heavy defence aircraft orders—that first gave birth to the manufacturing complex and later kept it in radiant health—are now drying up. The enormous costs and complications of the new missile age have forced Canada out of the field of original design. But defence production sharing with the U. S. may eventually fill the gap if it can be made to work. This year saw Canada break into the airliner sales business with export orders for some $100 million worth of big turbo prop air freighters. This could be a growing market. On the operating front, lack of a firm, detailed government policy for civil aviation has troubled smaller airlines and bush operators. They feel unable to invest in the future until they learn more about its probable characteristics. Problems are nothing new to Canada's airmen. Despite many, they have built a major Canadian industry that last year had 74 plants in operation with production worth $462 million. Airline revenues totaled $200 million. Combined payrolls reached $262.4 million. In the following pages FP reports on this many-sided giant.





Growth in Airline Operations

DOMESTIC AND INTERNATIONAL SERVICES
1955-58

	1958		1957		1956		1955	
	Dom.	Int'l.	Dom.	Int'l.	Dom.	Int'l.	Dom.	Int'l.
Hours flown	626,983	96,772	683,906	83,022	687,099	69,735	566,817	55,724
Miles flown	73,392,360	23,345,636	81,242,349	19,973,320	85,090,891	16,425,566	68,265,734	12,594,097
Passengers carried	3,070,291	951,430	2,923,120	828,294	2,686,077	683,890	2,237,845	524,899
Goods carried (pounds)	164,932,972	12,454,806	231,654,778	12,772,299	301,191,113	15,766,004	217,403,324	14,461,683
Mail carried (pounds)	27,862,476	3,519,573	26,114,299	3,149,376	23,413,988	2,156,291	22,668,760	1,598,677
Passenger load factor	67.6	50.2*	67.1	59.6*	69.2	59.3**	68.2	57.44**
Average No. aircraft	1,035		830		825		748	

*Preliminary.
**Atlantic and Pacific services.
Source: Civil Aviation Annual Reports, Dominion Bureau of Statistics.

Airline Competition Sharpens As TCA, CPA Enter the Jet Age

Dec. 29 is the target date for Canada's entry into civil aviations jet age.

That's the day **Trans-Canada Airlines** takes delivery of its first 550-mph DC-8 liners.

It will be an important occasion, one that marks the official opening of a new era of air travel for Canadians.

At the same time as the $5.5 million, 127-seat giant roars into Montreal's Dorval airport, officials of **Canadian Pacific Airlines** will be hard at work preparing for their jet fleet which will probably start arriving at Vancouver in early 1961.

CPA has ordered four $6 million 159-passenger Douglas Super DC-8 jet airliners, with options for five more.

For both lines the jet age means the beginning of a new round in their knock-down, drag-out fight for more and more passengers.

In 1961 both will be operating big jets on the transcontinental route, bringing Vancouver and Montreal hours closer.

The all-important question: Will both profit from new business or will one — or both — be driven into the red?

There's no certain answer.

TCA planners are worried. They consider that the Canadian market is not yet big enough for competition, even along main trunk routes. And they have many experts to back them up.

The CPA team, however, is cheerful about the coming war. In their opinion competition is a necessary spur to better service, and better service assures more business for all. They, too, have their backers among the experts.

So far, the limited competition. CPA is allowed to offer TCA gives no conclusive answer.

The traveling public along the route seems to enjoy the battle. On the other hand TCA President Gordon McGregor has stated that a planned drop in fares for next year cannot be afforded — and he says CPA's competition is the reason.

In the few months that CPA has been flying its sleek, 400-mph Britannia turbo props between Vancouver-Winnipeg-Toronto and Montreal the service has certainly been well received.

The Britannias are more modern and more comfortable than TCA's rival Super Constellations. And CPA hasn't spared the frills. Catering has been up to international standards and passengers find the red carpet out for them in actual fact—at every stop.

Small things in themselves, but in CPA's opinion that's what the traveling public wants.

"There's no secret to that sort of catering and service," one TCA senior executive growled. "Just spend more money. That means in the long run the passenger pays more for it. That's not much of an advantage to anyone."

"TCA is fat and lazy as an airline," a CPA executive comments. "They fly a safe and efficient service the same as we do, but they treat their passengers like baggage. They needed this sort of competition to make them smarten up. They were always very smart on their international flights where they were competing. Now the internal passenger will get the same breaks."

This sort of generally uncomplimentary view is typical of the atmosphere that exists between the two right now.

The attitude of earlier days — when both were almost jovially friendly, in public anyway — died a sudden and dramatic death last year in Ottawa when both appeared before the Air Transport Board — CPA to ask for trans-continental routes, TCA to oppose.

The ATB hearing is now widely considered to have been a near-disaster for CPA. Its arguments were frequently shredded by TCA lawyers who seemed to have done a much better job of preparing for the case.

It was a low ebb for the Canadian Pacific supporters and their president, Grant McConachie. The board members didn't think much of CPA's case, but the cabinet compromised, granting CPA one of the seven daily flights.

For CPA this was a real challenge. There was little hope of making money from that sort of arrangement, but it was a foot in the door and would give the line a chance to win friends and influence thousands of people.

It is not seriously contested by the warmest TCA supporter that CPA has done just that. But there have been charges that it is a "loss leader" and that if CPA gets more services the year after next its standards will have to drop.

From a passenger point-of-view Round One has gone to CPA with its roomy Britannias. Round Two, though, is slated to go to TCA which will have a year of jet operations before CPA will be ready to compete.

Under the terms of the ATB license granted CPA, it cannot apply for any additional services until fall next year. That promises to be the testing time for future Canadian civil aviation policy.

Because, while officially it will be a straightforward application by an individual airline for more routes, it will actually bring up civil air policy for another general airing.

It is hard to see how these questions can fail to come up:

- **Is TCA to continue as Canada's major airline?**

This is not as farfetched a question as it might seem. Present TCA planning calls for purchases of spanking new equipment costing well over $100 million. If its earnings fall it will become either a drain on the taxpayer, or a declining force reduced annually to fit within an increasingly modest financial structure.

- **Is CPA to be allowed a gradually larger slice of the market?**

That's what CPA is hoping. But officially the trans-continental service was granted as a link between its Atlantic and Pacific overseas services. In theory that doesn't guarantee it any frequency increases in the future.

- **Is the Air Transport Board to remain as prime arbiter in airline matters?**

The power of the board has seemed to decline since the Conservatives took federal office. Both in the case of the CPA-TCA dispute and in the granting of non-scheduled licenses the cabinet has made changes that were not approved by ATB.

- **If there is room for competition on some sections of the trans-continental services, should CPA as Canada's second line be allowed to fly them, or should they go to smaller carriers operating in the areas?**

The controversial report on airline competition, which Transport Minister Hees obtained from U. K. economist Stephen Wheatcroft, stressed the advantages of giving independents a chance to operate on high density routes during peak traffic hours.

Wheatcroft cited Toronto-Montreal, Toronto-Winnipeg and Vancouver - Victoria - Seattle as the only three runs with enough traffic today to sustain economical competition. Two of the smaller lines, **Wheeler Airlines** and **Quebecair** both want to fly feeder services linking points between Toronto and Montreal.

All the other small carriers would jump at chances to handle other such routes.

It had been widely hoped that the 1958 hearings would lead to a definite and clear new policy for Canadian aviation. Few airmen feel that such a policy has yet emerged.

The present planning for the fuel and passenger-hungry jets is based on a lot of unknowns.

With large sums of money pouring into new fleets this makes airmen very uncomfortable.

Next years' ATB hearings may provide the answers.

TCA Aim: Fly Jets To China

Trans-Canada Airlines:

TCA's fleet is made up of 49 Viscounts, 21 North Stars (four all-freight), 13 Super Constellations and nine DC-3s.

It has on order six DC-8 jets. First will be delivered at the end of this year, three more by May next year and the next pair in January and March the year after.

Nine of the 20-plane Vickers Vanguard fleet will be delivered between July and the end of next year. The other 11 will be in by the end of April, 1961.

That marks the total present re-equipment program. First aircraft to be sold will be the DC-3s, then out go the Super Constellations and North Stars.

The transition will see DC-8s replace Super Constellations on services to major Canadian traffic points. Vanguards will replace North Stars on the present tourist runs and Viscounts on some short, high density services such as Montreal-Toronto.

The Viscount fleet will be freed to replace DC-3s and to increase the frequency of service on present Viscount runs.

TCA's planning staff now has its hands full preparing schedules that will allow maximum utilization of the new fleet. The DC-8 offers an example of what this means. Here is a typical DC-8 flight that TCA could schedule:

	Local Time	G.M.T.
London, Eng. (dep.)	12.00 noon	12.00 noon
Montreal (arr.)	2.00 p.m.	7.00 p.m.
Montreal (dep.)	3.00 p.m.	8.00 p.m.
Toronto (arr.)	4.00 p.m.	9.00 p.m.
Toronto (dep.)	4.30 p.m.	9.30 p.m.
Vancouver (arr.)	6.10 p.m.	2.10 p.m.

This would give very good utilization, something the airlines badly need with the giant $5.5 million planes. But it also presents problems.

If fog in London delays the takeoff, TCA must have another DC-8 either in Montreal or scheduled in soon enough to be ready to pick up the passengers waiting to fly west.

Two hours on the ground at Vancouver is all the monster needs to be ready to start back. But by then it is getting late, and it is considered very unlikely that enough passengers would be available and willing to land in Toronto in the early hours.

With 130 seats to fill, airlines won't be able to rely on small numbers who fly at odd hours.

That is one of the reasons that TCA top brass is thinking very seriously of extending west to China, if the route opens up. It would allow through service for the big planes.

While everything depends on future government policy, TCA is planning on the assumption that it will be allowed to keep by far the greater share of Canadian traffic.

On that premise, TCA's future plans call for increased DC-8 purchases until the 1965 fleet should have 15 in service. Additional Vanguard purchases are also planned.

The next important purchase will be a medium-sized jet. The line is now looking at a number of possible contenders. It hopes for a 600-mph, 100-seater with an operating range of between 300 and 1,700 miles.

CPA Plans World Expansion

Canadian Pacific Airlines:

CPA's fleet consists of six Britannia turbo props with two more on order, nine DC-6Bs, one DC-6A, five Convairs, six DC-3s, two C-46F freighters, one Canso and one Otter (on lease).

At press-time purchase of four big jets was near. These will be either DC-8s, the same type as **TCA's**, or **Boeing** 707s.

Other new equipment plans will depend on future government policy.

CPA is the world's seventh largest airline in terms of unduplicated route-miles, a fact that CPA staffers admit ruefully looks better in advertisements than on the balance sheet. In its bid to win an important place in Canadian air transport skies, CPA took on some very long and difficult runs.

Some are big money-makers, particularly Vancouver-Mexico City-Montreal and Vancouver - Amsterdam. Others like Montreal-Lisbon-Madrid and the North Pacific route have been well developed by CPA and are steadily improving as business propositions.

Both the South American service and the South Pacific run to Australia are losers right now. In the case of the Australian run the introduction of 707s by Australia's Qantas has hurt business. In South America competition from non-IATA lines charging low prices has been damaging.

The "Canadian Empress" service daily between Vancouver - Winnipeg - Toronto and Montreal, and return, is the subject of considerable controversy.

There have been conflicting reports as to whether or not it is a money-maker. Most airmen bet it isn't yet, but it does give CPA an all-important foot in the door for future expansion that might lead to healthy profits.

CPA makes little secret of its desire to "rationalize" its route structure.

This means, more than anything else, adding Rome to its list of stops. This would greatly improve its position since Rome is one of the world's great traffic points, drawing on the South Europe, Middle East and Far East population centres.

It would also allow CPA to offer possibly the most attractive "Inter Latin" service between Rome, Lisbon, Madrid and Mexico City.

Later CPA hopes to press its routes on around the world.

However, TCA also badly wants Rome, for which it applied in 1947, and has promised to fight CPA every inch of the way for rights on the run.

The future of CPA's local services in the British Columbia interior are not too clear. There have been reports that CPA would be ready to drop them if it could concentrate all its efforts on major trunk routes.

Pacific Western Airlines is anxious to move into these services. But for the time being at least CPA seems to have every intention of continuing them.

Nerve-centre for CPA is Vancouver where there is a new $1.4 million Britannia hangar as well as clerical and operational headquarters.

CPA has done a lot of flag-flying for Canada on international routes and wants to keep expanding. Like TCA it waits anxiously to hear about future government policy.

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Aviation Maps a New Course

Monster missiles, jet flight reshape the industry's future . . .

By CLIVE BAXTER

This was to have been a year of joyous celebration in our big aviation industry. Instead, it has been one of much controversy and some disappointment.

While hailing 1959 as the 50th anniversary of powered flight in Canada, executives fell to the task of reshaping their volatile industry.

They are striving — with some success — to fit their operations around sweeping changes.

• **This was the year** when Canada officially bowed out of the Big Leagues, so far as military research technology was concerned. The new generation of monster missiles and supersonic weapons proved too costly for us.

• **Instead, our manufacturers are relying** on a new and still relatively untried concept — defence production sharing with the U. S.

• **This year also saw** the beginning of competition on Canada's major air routes when **Canadian Pacific Air Lines** was allowed to open a daily service each way linking Vancouver, Winnipeg, Toronto and Montreal; this over **TCA's** bitter opposition.

• The much discussed "Hees Plan", that removed virtually all restrictions on licences to fly the smaller, non-scheduled services, reached full force during this past Summer.

By Fall, all operators — newcomers and old hands — were examining their finances and futures to see whether the new competition unleashed by Ottawa was a bonanza or a disaster.

TRANS-CANADA Air Lines has six of these DC-8 jets on order, first to be delivered at the end of this year. They will replace Super Constellations on major Canadian routes.

Defence

Defence matters held the headlines to an unprecedented degree in peacetime.

The year began with the **Avro Arrow project** living on borrowed time. For the team of experts at Avro — and through the wide network of supporting companies — the hefty, delta-winged interceptor represented the payoff in the determined post-war drive by government and industry to assure Canada a front-row seat in military design and production.

It had been a daring undertaking. The original specifications called for three breathtaking strides from the industry. It was to provide:

- **An aircraft** as advanced as any in the U. S., Britain or Russia.
- **An engine** more powerful than any yet produced anywhere.
- **An electronics system** that would hunt out and destroy enemy aircraft under conditions that would thwart any known system.

Perhaps it could never have been done.

There were strong, experienced voices in both industry and military circles that warned Ottawa it was aiming too high; and that any amount of money couldn't buy the necessary finished product — not, anyway, before the intercontinental guided missile rendered all "air breathing" defence weapons obsolete.

When the axe eventually fell, the very size of the whole undertaking made it inevitable that almost every side of the industry would suffer heavily. Over 10,000 skilled Avro employees found themselves jobless. At least as many again lost work in the subcontracting firms.

Production

The Golden Anniversary Year was off to a dreary start.

But Ottawa did have some news to ease the blow. A new phrase joined the everyday conversation of plane makers, electronics and engine men — defence production sharing.

It is too early yet for the industry to pass any really sensible judgment on this new development.

Certainly those companies — and there were some — which imagined it meant some sort of protected monopoly of a specific amount of U. S. defence ordering were badly disappointed.

What the government had managed to win from Washington was an agreement that, all things being equal, Canadian companies would be allowed to bid on U. S. defence work without the barrier of the Buy American Act.

It remains to be seen how the theory will stand up to pressure from labor and management lobbies in Washington if work becomes scarce in the U. S. defence industry. This possibility is made more likely by the recent cancellation of the North American F-108 ultra-sonic fighter and the profound debate over the future of the Bomarc family of missiles.

Supersonic

Ottawa helped the industry by ordering 214 new supersonic fighters to be built under license in Canada.

After careful study, and some prompting from NATO, the government decided that Sabres now flying with the RCAF 1st Division in Europe were approaching the age for honorable retirement.

The airmen, who daily patrol skies already traveled by formations of much faster and better armed aircraft, made little secret that they felt the Sabres were outdated.

The **Lockheed** F-104G Starfighter was selected. It's a missile-shaped little fighter that exceeds 1,500 mph in level speed. Its engine, the J-79, designed and built by **General Electric,** was at once awarded to Toronto's **Orenda Engine Ltd.** under a licensed production agreement.

To decide on the airframe maker was more difficult.

With little real hope of any more major orders for some time to come, the cabinet unwillingly was forced to decide which of the big three — **Avro, Canadair Ltd.** or **De Havilland Canada** — was to be given what amounted to the last large, visible airframe contract.

To ease the painful and politics-loaded decision, the cabinet broke with precedent by announcing the contract would go to the lowest bidder. The competing trio spent anxious weeks examining and re-examining their cost accounting. Finally the contract was won by Canadair, the big **General Dynamics** subsidiary in Montreal.

For Canadair the Starfighter order was welcome news.

The company had pushed on into the civil market with its promising CL-44 and CL-540 projects. Both these are greatly re-designed versions of other people's planes. The 44 started life as the **Bristol Britannia** and the 540 as the **Convair** 440 piston-engined airliner.

Both showed promise of winning substantial civil sales, but defence work was drying up and heavy lay-offs had been scheduled for this winter.

With the Starfighter order, Canadair will be able to hold its team together for at least another three years. By then — if mounting sales of 44s are a true indication — the civil market may be brisk enough to keep the plant humming through the 1960s.

DeHavilland, too, badly needed the work. It started laying off workers during the past month.

But it does have its exciting Caribou passenger and freight plane that is a hot favorite to join its sister, the Beaver and Otter, in extensive world service.

The U. S. Army is now evaluating its first five Caribous and is expected to order "substantial" numbers if present tests are favorable.

As the anniversary year neared its end, only Avro remained without much hope of immediate work. Its revolutionary "flying saucer" may still end up a big seller, but some years of development probably still separate it from large-scale production.

Competition

For the operators it was also a year of basic change.

The long-established principle of protecting operators from "undue" competition has been formally abandoned for the smaller carriers.

However only limited competition is allowed on the main trunk route across Canada — and regional scheduled carriers are still fully protected.

So far it has been the Class "C" carriers — the bush flyers of Canadian legend — that have had their world turned upside down by now government policy.

There is a strong resentment among established firms against the Conservative government and generally Transport Minister Hees in particular.

Rightly or wrongly, bush flyers feel they have been sacrificed to the principle of laissez faire competition. In their eyes the government is doing to them what it really wanted to do to TCA before it had studied the complex field of airline economics.

For the big boys — **TCA and CPA** — these have been anxious months as well. TCA has had to continue planning on the assumption that it will keep its present share of the Canadian market; CPA has had to bet on getting an increasingly larger share of both domestic and overseas business.

There has been some fairly public infighting between the two carriers. TCA recently announced it had been planning to cut fares next year, but now it won't because of the business lost to CPA.

CPA snapped back when its president, Grant McConachie, growled to reporters that TCA president Gordon McGregor was talking "poppycock." Competition, he added, never did anyone any harm.

Canadians, used to at least surface diplomacy between major companies, now are becoming accustomed to these aeronautical outbursts.

But they put additional strain on the Air Transport Board and cabinet who soon must draw up a new formula for civil aviation.

With some order books bulging, some first rate men out of work and regretfully leaving the country — and even a smattering of low comedy from irate airline partisans — Canadian aviation prepares to move into its second half-century.

In the following pages, FP reports on the past, present and probable future.

Share Defence Orders

Besides the giants of the industry, many small companies throughout the country are sharing in reciprocal defence orders.

One example: **Enamel & Heating Products Ltd.**

Just recently this Maritime-based company turned out the last aft fuselage and tail section for the CS2F-1 **Grumman** Tracker.

Final assembly is by **de-Havilland Aircraft of Canada.**

In June, **Grumman Aircraft Engineering Corp.** awarded to Enheat a $1 million contract for the manufacture of the aft fuselage and the horizontal and vertical stabilizers for the S2F Tracker being used by U.S. Navy.

Company was first Canadian concern to be awarded a contract for major components under the reciprocal production agreement between Canada and U. S.

Later **Northrop Aviation Inc.** awarded Enheat a contract for components after study of tenders, including 35 from Canadian firms.

These contracts will enable Enamel & Heating to retain its present working force of some 300 for "another couple of years," company says.

Currently Enamel & Heating's aircraft division is handling repair and overhaul of Banshee and Tracker components for the RCN and repair and overhaul of Neptune and Lancaster components for the RCAF.

Company also is manufacturing engine deflectors for **Canadian Pratt & Whitney.**

Last year Enamel & Heating purchased laboratory and test equipment, completing facilities for handling of its own test requirements.

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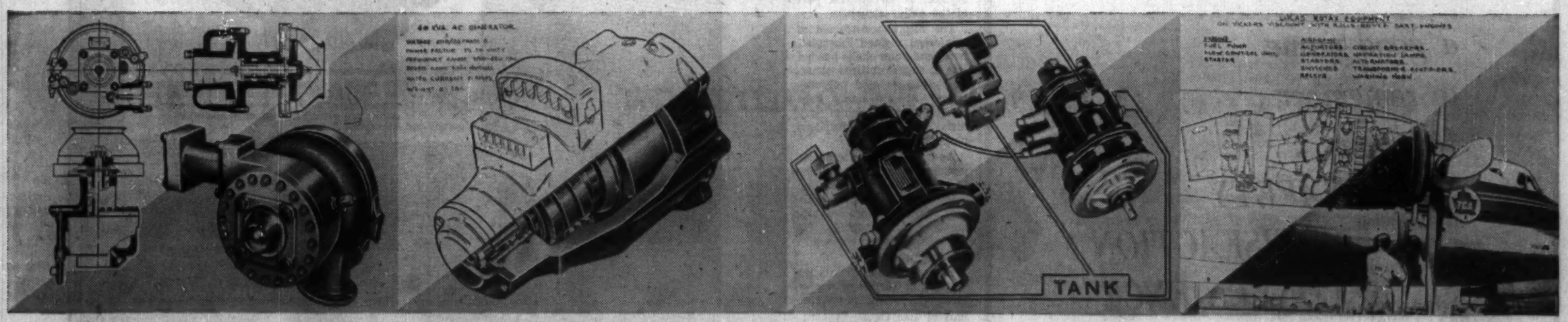

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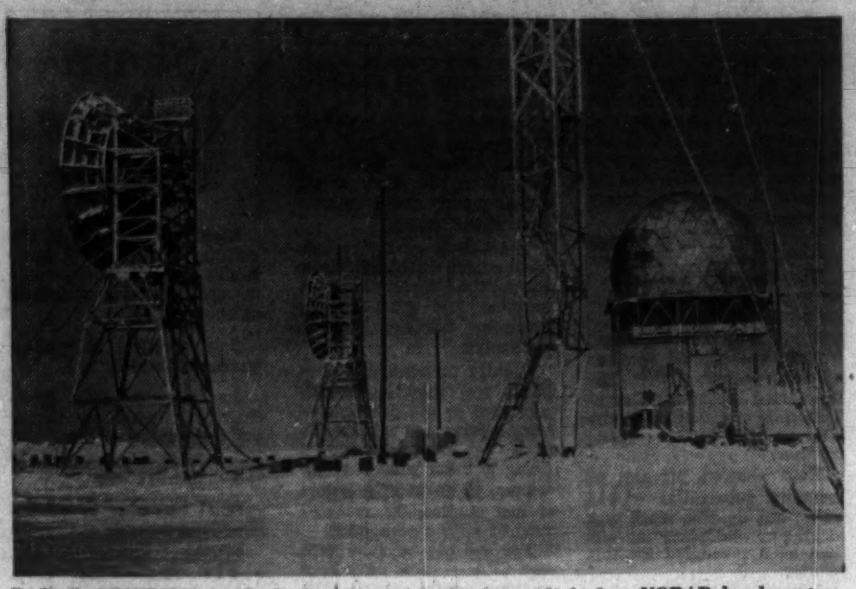

RADAR STATIONS perched atop the Arctic Circle are linked to NORAD headquarters at Colorado Springs, Col. by fantastically complicated communications network.

Autair Story

Hees Clashes With ATB

OTTAWA (Staff) — What the Canadian air transport industry calls the "Autair story" has raised the presumption that the present Aeronautics Act is out of step with the so-called "Hees plan" for freer competition in Canada for small plane and helicopter flying.

Acting within the limits of the Act, the Air Transport Board was over-ruled recently by Transport Minister Hees.

The Act so limited the board that, had it wanted to, it couldn't have approved the operation which Hees approved.

Under the Aeronautics Act, the three-man Air Transport Board is supposed to advise Hees on all questions related to the licensing of civil airplanes in Canada.

In most instances the board, in effect, has the licensing authority. But this is delegated by Hees and legally the board acts as an adviser.

Under Subsection 3, Section 15 of the Act, the board is not allowed to issue licenses unless it is satisfied that a proposed air service "is and will be required by the present and future public convenience and necessity."

Under Subsection 4, the board is allowed to make exceptions if the services involve only limited areas, provided that such exceptions are "in the public interest".

Under the "Hees plan" for freer competition in Canadian air transport (**FP**, July 18, 1958), airlines which meet ATB safety and equipment standards can qualify for Class C licenses — confined to the small planes field, single-engined aircraft and helicopters.

Under the plan, as Hees described it in Parliament, an applicant for a Class C license is not required to show that a service is justified by "public convenience and necessity".

(The plan brought loud complaints from established air transport operators.)

But the new arrangement wasn't translated into an amendment to the Aeronautics Act and this failure caused a head-on clash between the minister and the ATB.

Here is the "Autair story".

Autair Helicopter Services Ltd., Montreal, was the first company to receive a Class C helicopter license after the Hees announcement. The license was granted in July, 1958, after a hearing.

Autair, founded by bustling Douglas Connor of Montreal, a former RCAF wing commander DFC, was ready to roll under the new plan because it had begun helicopter operations on a non-fee basis before the change.

During the winter of 1958-59, Autair bought a fleet of 12 B-47J2 helicopters from **Bell Helicopter Corp.**, Fort Worth, Texas, bringing its whirlybird total to 22.

Through most of 1959, Autair pushed other air transport operators out of the Quebec sky. Connor told **FP** that his fleet was booked solid through October, 50% by the Quebec government, 30% by private industry and 20% by the federal government.

But during the spring and summer, Autair ran into rough weather.

The company applied for permission to operate big helicopters.

In its application it said that its original license was granted "as the result of revised government policy" rather than because it had shown "evidence of public convenience and necessity".

Autair asked that a restriction in its license limiting the size of its helicopters be removed.

As it is required to do by the Aeronautics Act, ATB fired back requests to Autair for financial and other information "in order to assist the board in forming an opinion as to whether it would be in the public interest to remove the restriction".

The company stood pat, provided no information. In June, ATB considered the application on the evidence submitted at the original hearing, turned down the application. Autair promptly appealed to Hees.

Meanwhile the company had other difficulties. Two vice-presidents and the sales manager resigned (Connor said they were fired).

The company which insured Autair decided to revoke the policy.

The ATB put out a notice of cancellation of Autair's license, effective on the date of termination of the insurance.

Then the company's affairs took a turn for the better. It obtained other insurance and the cancellation of its license was rescinded.

At the end of August, Hees over-ruled ATB on the application for removal of the restriction against big helicopters.

The company is now free to use them and it has never made any attempt to prove to ATB that its big helicopter services are required "by public convenience and necessity".

Hees' decision caused many (subterranean) rumblings in the air transport industry which complained of Connor's close family and business connections in Quebec.

Some airline operators said that the minister's decision had turned ATB into nothing more than a rubber stamp.

This view is dismissed here as "sour grapes".

"The duty of an advisory board," says an official, "is to advise on, not to decide policy. That is the job of Parliament, through its ministers."

Advice of other boards with functions like those of ATB is often ignored by the government.

Tariff board recommendations on tariff changes are seldom followed in full.

In the last 18 months, the Board of Transport Commissioners which (unlike the ATB) has quasi-judicial functions, has been over-ruled twice by the cabinet.

But the Autair case does make it clear that the Aeronautics Act doesn't give the board the flexibility of action it needs to carry out present Canadian air transport policy as enunciated by the minister of transport.

The ATB has three members, all have distinguished records.

Chairman Paul Davoud, formerly a director and vice-president of **Orenda Engines**, was appointed last winter.

He had prewar service as a bush pilot in Ontario, Quebec, Manitoba and the Northwest Territories; and chalked up an outstanding record as a fighter and bomber pilot during the war.

He ended the war as a group captain.

Member Alexander D. McLean is a pioneer of Canadian aviation.

A graduate of University of Alberta, he began flying in the 1920s (mail planes — several first flights; aerial photography and mapping).

He entered the government service in 1929 and laid out the first airway across the Prairies.

He was prominent in the development of Canadian civil aviation policy, first as superintendent of airways, later as controller of civil aviation; and was appointed to the ATB in 1950.

Member Gerald Morisset is a graduate of University of Ottawa and Laval.

He practised law in Rouyn and Noranda, Que., spent three years during the war in the adjutant general's branch of the Canadian Army.

He joined the ATB in 1946 as assistant secretary, later moved to the Turgeon Commission.

After a stint at national defence college, he moved back to the board as chief of the international relations division, and was appointed a board member in 1955.

New Aids For Your Comfort

A new line of aircraft galley refrigerators, designed to improve air passenger service and comfort, has been developed by **Garrett Manufacturing Ltd.**, of Toronto.

Use of the new refrigerators in aircraft permit the operator to meet passenger demands for a wider variety of foods and drinks; and provide for storage of perishables.

Garrett's refrigerator line features a lightweight, high strength box incorporated, if desired, as an integral part of the galley structure.

The box is constructed of reinforced molded Fiberglas, inner and outer shells bonded into a single unitized structure using foamed polyurethane. An extremely light assembly results with very high thermal insulation properties.

As box shape and capacity present no particular problem with this construction method, the unit can be tailored to meet custom requirements. A full range of colors is available to match any aircraft decor.

Freezing compartments are optional in Garrett refrigerators. A recent production unit of 3.25 cu. ft. capacity, weighing less than 80 lb., completed for use in the **Canadair CL-44** does not incorporate a freezing compartment.

In this particular application, a fast pull-down time was essential, with food to be maintained at a uniform, unfrozen temperature of 35 deg. F. These particular results were obtained by the use of a high-performance circulating fan.

How are you doing?

To see what's developing in business, investments and public affairs, read The Financial Post regularly. One reader writes: "For current information, I have yet to find a paper its equal." Yearly by mail in Canada: $8; elsewhere $9 yearly.

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makes pioneering a habit

Jarry has had an unusual success in overcoming tough engineering and production problems, by its boldness in taking a fresh approach to them. Here, for example, are four Jarry world "firsts", each created to overcome a hitherto insurmountable problem.

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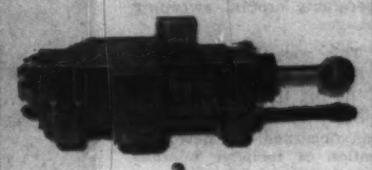

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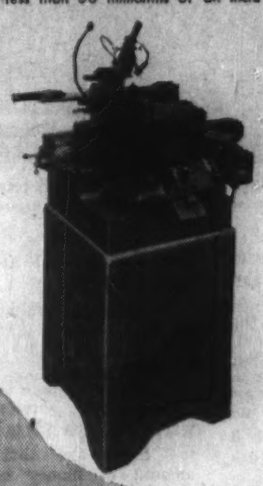

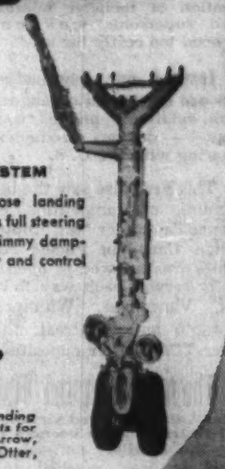

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Navigation Aids Spark New Electronics Sales

Lacking the glamour that surrounds the building of giant planes and powerful engines, Canada's electronics industry seldom gets a great deal of public attention.

Yet recently it has been winning some valuable and significant aviation contracts. They may indicate a brighter future than many observers have expected.

Two recent highlights:

- **The sale of a new radar navigation system developed by Canadian Marconi to Pan American World Airways and KLM,** both world airline leaders.
- **The sale of a new "wonder device", for navigating small, high-speed fighters,** to the West German Air Force.

Both these were key sales, and could lead to others similar in months ahead.

In the military field electronics promises to play an increasing role. The heart and brains of missiles, manned aircraft and the complex ground control systems, all depend on precision electronic equipment.

Under the new defence production sharing arrangements Canada can bid on all U. S. and Canadian projects in the field. Past records would indicate that Canadian electronics know-how places our companies in a strong position for a growing share of the business.

Unlike the plane and engine men, electronics engineers are not so deeply concerned with the plane-versus-missile controversy. They know they will be needed whichever wins out.

And while Canada's geographic location on the doorstep of the U. S. is an acute problem for air defence and civil defence planners, it does assure plenty of defence work in the country.

One electronics executive told FP: "There are going to be some severe new strains on our present defence equipment. We are going to need new and better radars and much more sophisticated electronic 'brains' for missiles and aircraft.

"Now most of that work is outside the scope of the Canadian industry. Maybe not technically, but financially. **So we can only hope for subcontracts that will allow us to take part in the major U. S. projects.**

"But there are other fields in which we know as much as anyone. Communications is one. All these new defence systems are going to require better means of communication, and the bulk of these will cross Canadian territory.

"If we play our cards right there is multi-million-dollar business waiting for Canada in that field."

And, electronics men point out, defence communications doesn't have the same sterile effect in the general economy as does a missile or bomb. It can play a secondary role in aiding the civilian authorities in the opening up of remote regions.

It is no secret that Canadian industry planners are hopeful that Ottawa will strike some tough bargains with the U. S. — getting production contracts in return for the use of Canadian real estate.

This view doesn't quite fit into the atmosphere of "hands across the border" mutual defence and friendship that some political supporters of the defence production sharing program would like to see — but in the industry's view it does have the great advantage of being realistic.

The vice-president of one Canadian electronics company told FP that it had been his firm's experience that U. S. prime contractors seemed unwilling to give work to Canadian bidders unless their bids were much better than those received from U. S. subcontractors.

"I don't say this with any bitterness," he added. "I am sure that we would tend to favor our old established subcontractors rather than some outsiders, price being equal. It is perfectly natural.

"But it does make it terribly hard for Canadians."

He mentioned a number of times when his company had first heard of a planned U. S. project too late to submit sensible bids. **U. S. firms in the same race gave every indication of having had weeks or months more to prepare their submissions.**

It would be a mistake to believe because of these and similar remarks that the Canadian electronics industry is doing nothing but grumble about "unfair" competition.

It isn't, but many of its leaders see the chance of the really important work being based on U. S. contracts for equipment needed in Canada; rather than on a desperate attempt to win a piece of the general U. S. defence effort.

In all, there are nearly 150 Canadian electronics companies, ranging from the giants like **RCA** and **Canadian Westinghouse** down to firms with staffs of a dozen or so. They have assembled a wealth of knowledge by taking part in highly advanced military research since the war.

A review of their facilities shows a surprising number with the space and equipment to carry out research programs at, or near, the lower part of the expense scale.

What are the main challenges — and hopes — of the industry today?

In defence matters the business outlook should be a bright one. There are many contracts still to be let for communications and equipment to back up the new Semi Automatic Ground Environment (SAGE) system to be established in Ontario and Quebec.

There are recurring rumors, too, that other SAGE centres may be established in the western provinces.

Communication lines are also needed to link Canadian-based radar stations to USAF SAGE-centres across the border.

At the same time the U. S. government is beginning work on its anti-missile warning net. The actual equipment — called BMEWS (Ballistic Missile Early Warning System) — is U. S.-designed and built, as are the SAGE computers. Both SAGE and BMEWS will have to be linked by ultra-efficient communication lines.

Also in the military field, the need for new and better anti-submarine forces is growing quickly.

Canada has played a leading role in this work. Electronics engineers are working on a number of improved detection schemes. A Canadian breakthrough there could lead to big orders from other NATO nations.

On the civil side, Canadian electronics has already won some recognition and seems likely to do even better. The problems of navigation in remote areas have taxed Canadian ingenuity for over 30 years.

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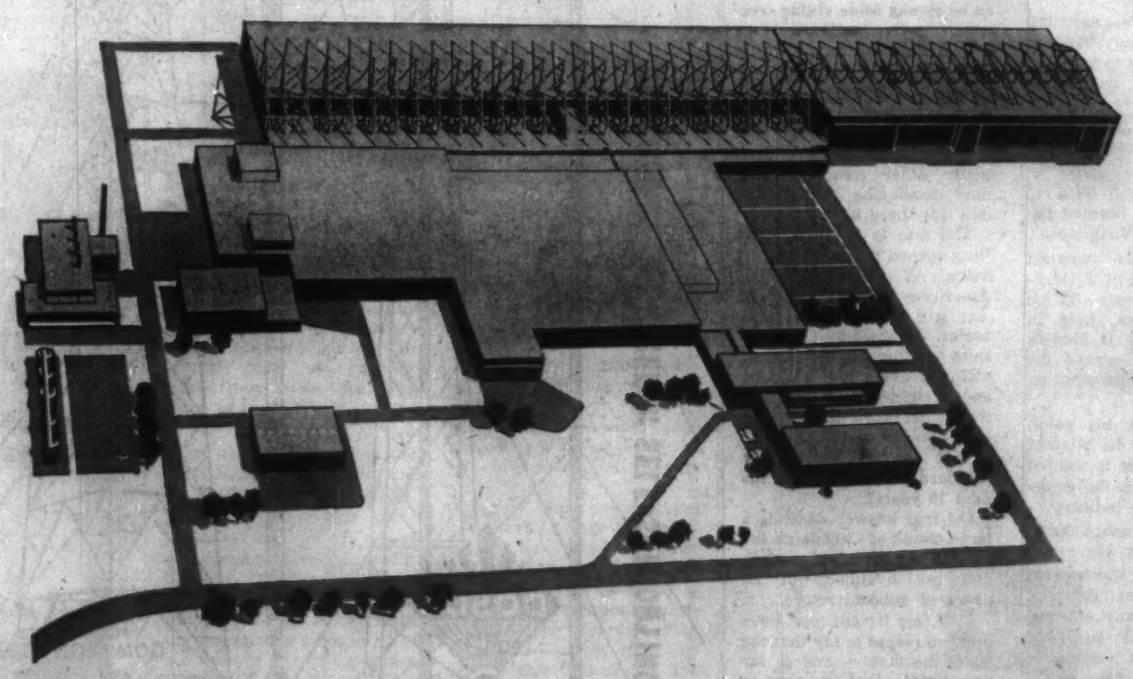

The invisible element is the one that has priority over all others with TCA—reliability. One of the most important reasons for TCA's record in this respect is the emphasis on the maintenance of aircraft. Painstaking, methodical, thorough-TCA maintenance men are difficult to satisfy.

Soon to come into service are TCA's new jet age aircraft – DC-8 Jetliners and Vanguard turboprops, both powered by Rolls-Royce. To keep these new fleets in faultless condition, TCA is building the world's first maintenance base designed solely for turbine aircraft.

Costing $20,000,000, and occupying 15 acres of land, the base at Montreal will be the largest structure of its kind in the world. Canada, through TCA, is again taking the lead in a vital aspect of air transportation.

TRANS-CANADA AIR LINES TCA

PRODUCTION LINE of CL-44s for RCAF and world airlines at Canadair. Orders have been won from U. S. freight carriers, Flying Tigers and Seaboard & Western.

Canadair

Sells Airliner to U.S.

Early in May executives from two leading U. S. airlines sat down in a New York conference room to sign contracts to buy 15 Canadian-built (by **Canadair Ltd.**) air freighters.

It was an important moment for our aircraft industry. The sum involved was substantial—about $70 million.

But much more significant was the fact that these 15 planes were the first Canadian airliners ever to be sold in the U. S. And the buyers — **Seaboard & Western Airlines** and **Flying Tiger Line** — know more about making money in the fast growing business of air freighting than almost anyone else.

Their purchase hit the U. S. industry like a blockbuster.

General Elwood "Pete" Quesada, Eisenhower's adviser on civil aviation and president of the U. S. Federal Aviation Agency was moved to say:

"The operating cost of the aircraft is significantly lower than any cargo aircraft currently under development in the U. S.

"The guaranteed efficiency of the airplane, coupled with the Canadian government's loan guarantee, will constitute a technical and financial breakthrough of national consequences.

"The potential air cargo market will, we believe, explode immediately after the introduction of the aircraft."

The subject of this unqualified enthusiasm: Canadair's CL-44D.

Quesada isn't hired to plug Canadian planes and that wasn't his intention. He was, in fact, simply trying to sound the warning bell for the U. S. industry's attention.

For Canadair the fateful moment when the pens crossed the contracts was the culmination of anxious years. It was the first real justification for a company-government gamble that had won more than its share of criticism in earlier years.

The CL-44D has an interesting history.

During the Korean War, Canadair entered an agreement with the **Bristol Aeroplane Co.** in the U. K. to take its then new Britannia turbo prop airliner as the base from which to design and develop a new ultra-efficient long-range anti-submarine patrol bomber—the CL-28 Argus.

It wasn't just a question of sticking some fancy electronics into the luxury craft.

First, the body had to be virtually redesigned.

Then new engines were selected — the Bristol Proteus turbo props were fine for high altitude cruises but no good for low-level patrol. Out they went and in their place went **Wright** turbo compound engines of the same type as power the Super Constellation.

By the time this was finished Canadair and Bristol recognized they had not only a superior military weapon, but an excellent potential airliner.

In 1954-55 Canadair and Bristol joined talks with **Convair Ltd.** another offspring of Canadair's parent **General Dynamics Corp.**

Their plan: **To design a new super airliner around a new and powerful engine,** the BE-25 then under development at Bristol.

To this day none of the companies is ready to admit what went wrong with the plan. It certainly never got past the talking stage — and most airmen are sure the U. K. government turned thumbs down on sharing what at that time looked like a real dollar-earner.

Whatever the reasoning behind it, the result was that Canadair was left to work on the new project and ended up with the CL-44.

There followed a tense period of looking for customers.

Canadair wanted **TCA** to take it, but TCA wanted the British **Vickers** Vanguard.

The arguments between Canadair's president, J. Geoffrey Notman, and TCA's Gordon McGregor, held in Trade Minister C. D. Howe's office, have now entered the legends of Canadian aviation history.

McGregor won his point, that TCA should be allowed to buy the planes it wanted without regard to the problems of Canadian industry.

The RCAF did adopt the 44 and ordered some 16.

There was no shortage of criticism of that decision. Why, queried many experts, should the RCAF be stuck, with a transport version of an anti-submarine patrol bomber version of a transport? On the surface it certainly had a weird appearance.

But Canadair stuck to the 44. It was a plane, its designers and backers were quick to point out, that had promise of being a world-beater.

Two years ago it had another jolt. The U. K. government withdrew support for the BE-25 engine development. So the 44 was left without a powerplant.

However, **Rolls-Royce** had the answer—perhaps a better one in the long run. It was hard at work producing a new turbo prop engine called the Tyne that was in the same power class. Canadair took it and—in the move—picked up that sales appeal that surrounds the Rolls-Royce name.

Last year all indications were that the 44 would be a winner; but it still needed something extra to appeal to the world's air freight experts.

That something extra turned out to be a unique piece of engineering that allowed the whole tail section to be swung aside giving free access to the fuselage.

This suddenly removed the air freighter's problem of how to load lengthy bulk cargoes that won't fit around corners.

It's a design feature that many other companies are now developing, but Canadair got there first.

The sale to the two U. S. lines opened the door to many more. At press time **Pan American World Airways** was still a very likely customer. Meanwhile Canadair sales teams have visited virtually every major airline and freighter and returned with what were described as hot potential customers.

Will the 44 become the standard air freighter of the next 10 years?

On that answer depends a large chunk of Canadair's future as a civil plane maker, and the livelihood of its army of subcontractors.

U. S. air freight men have gone on record to say that the 44 is the first — and so far only—plane that promises to bring air freight costs down to a level where they can compete with surface transport.

If that is the case, Canada may have finally won its place in the Big Leagues of the airliner business.

Double Premiums For Large Jets

Some day two giant jetliners — loaded with passengers — may collide in mid-air over the heart of a city.

Though such a catastrophe has never happened, this is the nightmare which aviation insurers live with constantly. It's a problem in spite of high statistical safety of air travel.

If a disaster of this nature ever took place insurance claims running into many millions of dollars would result.

The two aircraft involved alone would represent a loss of over $10 million. Debris raining down on the hapless city would likely cause loss of life and property damage involving claims for many further millions. In addition, there would be claims by the estates of the 300 or so passengers who perished.

For this reason, aviation insurance is a highly specialized branch of the industry.

Because no one insurer can assume the total risks involved for even a single aircraft, aviation insurance is usually done on a pool basis under which many companies each underwrite a piece of any given risk. They, of course, share the premium.

The aviation pools got their start in the U. S. in the late 1920s. Aviation insurance for Canada was provided from outside the country until 1939-40 when various specialists in this field set up shop here.

Combined premiums of aviation insurance written in Canada now top $5 million per year. This represents 1% of all fire and casualty insurance premiums.

In Canada so far, aviation insurance — despite seemingly high premiums — has been anything but a lucrative business.

Insurers, in fact, paid out more in claims during the five years ended 1958 than total gross premiums.

This resulted in the steep rise in premiums which began two years ago. Some industry officials estimate premiums have gone up by an average of 25% during the period.

Further increases may be in store if losses continue to rise.

Experience of the Dew Line was probably the factor most responsible for the increase in insurance premiums.

For insurers, this vast northward air movement of men and materials represented a new challenge and new problems.

Aircraft fanning out into the north were flying largely uncharted areas. Standard navigational aids were few and far between. Airports and other facilities were rough and ready, having been hastily carved from the bleak wilderness.

In some cases — in the earlier stages of Dew Line construction — air carriers were seeking insurance from underwriters for operations into areas the location of which they were unable to disclose for security reasons.

These factors made it incredibly difficult for insurers to gauge the risks they were underwriting.

"We had to guess . . . and unfortunately we guessed wrong," one industry observer explains.

Aviation Insurance

Results of all Canadian licensed aircraft insurers combined

	Premiums Earned $	Losses Incurred $
1954	3,098,486	3,416,350
1955	3,122,475	3,367,621
1956	4,073,154	4,847,446
1957	4,908,934	5,585,719
1958	5,234,031	3,518,239
Total	20,437,080	20,735,575

Mounting losses soon revealed that the rates insurers had set were far too low.

Coupled with the many unknown factors surrounding northern operations was the fact that for Canada — and perhaps the world — the Dew Line represented an entirely new sort of problem.

The reason: The vast quantity of men and materials that had to be moved into the inhospitable north.

The smaller lines, well versed in the art of bush flying, soon found themselves cast in the role of major carriers. Many larger carriers that entered Dew Line service, on the other hand, had little experience of bush flying.

The task of plumbing the uncertainties of new risks is nothing new to aviation insurers.

Every new type of plane presents this problem.

While it is not hard to assess the risk — and hence the premium — on a DC-3, thousands of which are currently in operation, the premium charged on a Boeing 707 jet is quite another matter.

Experience with large jets so far indicates that insurance premiums on them are twice as high as for large piston-powered aircraft.

This is not because jets are less safe than their piston-powered predecessors. Rather, jets in general are far more expensive, carry far greater loads, and fly faster and thus farther in a given length of time.

Some insurance industry observers feel jet rates will have to be further increased.

Aviation insurance generally falls into two main categories: Aircraft insurance and aircraft liability insurance.

The former covers loss or damage to the aircraft, and the latter any liability arising out of ownership, maintenance or use of aircraft.

Aircraft liability insurance is further divided into three: Bodily injury excluding pas-

(Continued on page 55)

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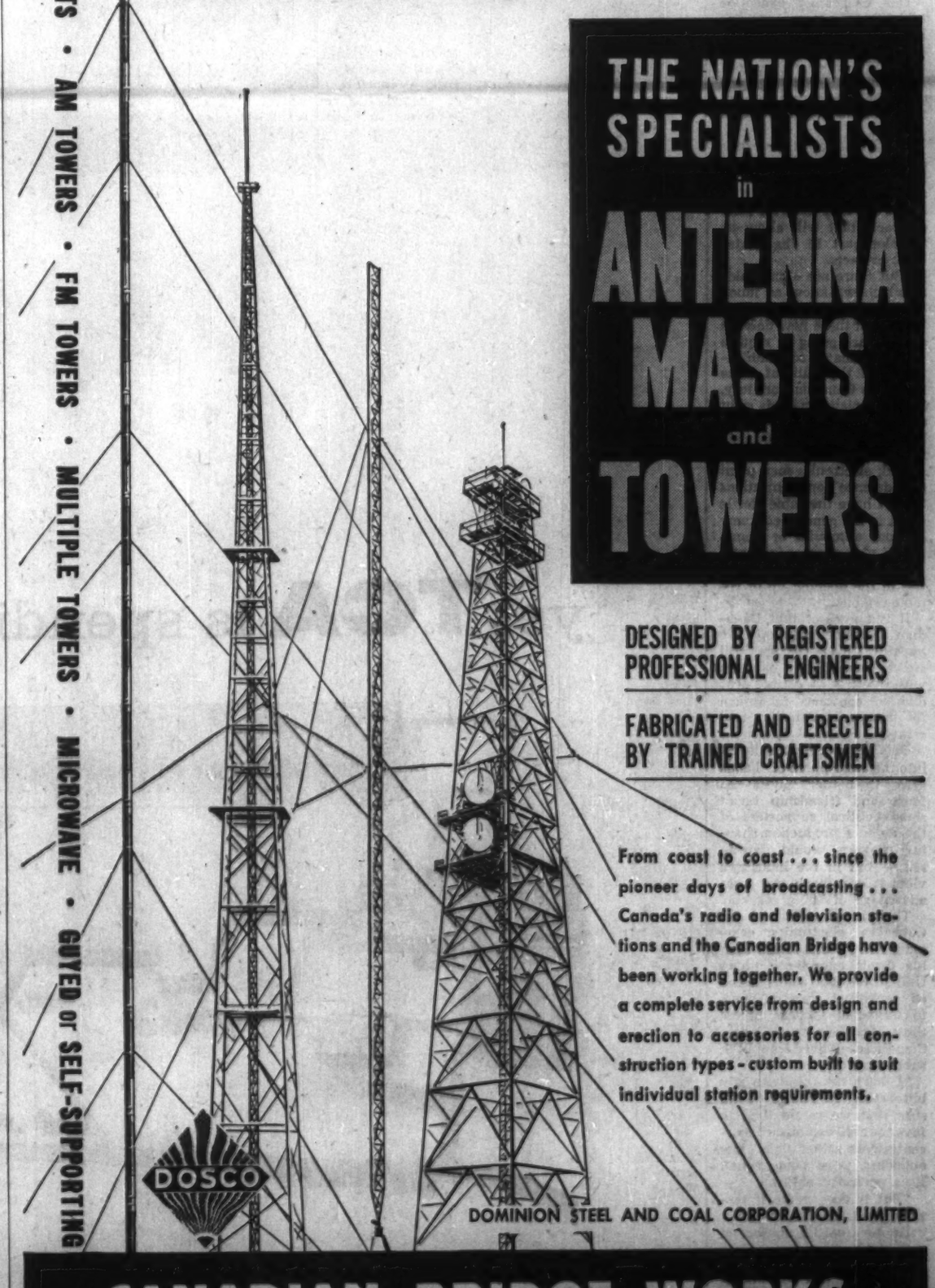

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The Sales Picture

GROSS SELLING VALUE OF PRODUCTS
MATERIAL COSTS, AND NUMBER OF PLANTS
1945-58

	Gross Selling Value of Products $	Material Costs $	No. of Plants
1945	278,652,880	115,093,267	38
1946	36,210,906	6,708,468	16
1947	44,303,576	16,190,747	12
1948	45,600,172	18,287,931	11
1949	61,099,075	24,315,084	14
1950	55,267,621	18,149,951	15
1951	117,188,078	36,291,613	23
1952	244,607,320	115,286,096	38
1953	398,744,272	135,756,989	43
1954	343,010,830	158,893,485	47
1955	354,314,837	140,831,164	52
1956	354,510,085	138,155,854	52
1957	424,422,713**	148,547,000**	70**
1958*	461,971,261**	178,000,000**	74**

SALES ANALYSIS

	1958*	1957	1956	1955
	$000			
Aircraft completed in year	189,947	129,257	94,626	108,408
Aircraft and engines being built but not completed	73,918	69,548	54,905	46,074
Repairs to aircraft	79,958**	82,862**	43,831	40,895
Aircraft parts manufactured	78,013	74,537	85,526	73,078
Other products	113,136	123,527	123,547	121,871
Work done previously on aircraft completed in current year	73,052	55,289	47,926	35,941
Total value, production	461,971	424,443	354,510	354,315

*Preliminary.
**1957 and 1958 includes service and overhaul operators not previously included.
Source: Aircraft and Parts Industry Annual Reports, Dominion Bureau of Statistics.

U.S. Defence Policy

'Marriage' in Progress

From Our Own Correspondent

WASHINGTON, D.C. — The Canada-U. S. defence industry "marriage" is making progress — but it's slow progress.

In the last year, Canadian industry has received about a 50% increase in defence orders from the U. S. compared with the previous year, according to U. S. sources.

But this is no' as fat as it sounds because the starting point was so small.

In the past 12 months, U. S. sources tell **FP**, Canada has received about $40 million in prime contracts and roughly $30 million in subcontracts.

The prime contract figure is about the same as last year, but the big jump has been in subcontracts.

In fact, the Canada-U. S. defence industry "marriage" will fly or fall on subcontracts rather than primes.

There is a potential of $200 to $300 million a year in business for Canadian firms in this field if they will work hard enough to get the orders.

The trouble with getting U. S. defence orders, either subcontracts or prime contracts, is that it costs time and money.

Many a Canadian firm discouraged by a "no" on its first try, gives up altogether on the search for Pentagon business. But those who hit once, often find they will get numerous subsequent orders.

The defence industry "marriage" ran into trouble at mid-year when the Pentagon issued its new MAD (Master Air Defense) Plan.

This called for a sharp cutback on spending for Bomarc.

Canadian plants had hoped for a substantial amount of Bomarc subcontract business. Now the potential business is sharply reduced.

This temporary loss, however, is being made up by missile age business going to Canadian companies.

Electronic equipment orders are going to Canadian firms for some of the rearward communications for the Ballistic Missile Early Warning System (BMEWS) bases in Greenland, Alaska and northern U. K.

These orders, running only around $10 million so far, will increase sharply as time goes by.

A major, $20 million order also is cooking for a 600-channel microwave system running down the Alaskan Highway and linked to Alaska's White Alice system.

This handles DEW Line communications and presumably BMEWS communications when the new Alaska base is established.

The Nike Zeus is another big potential for Canada's defence industry.

Because so much Canadian real estate is being used in this anti-missile missile system, especially for the BMEWS rearward communications and the Nike Zeus forward acquisitional radar, Canada has a good bargaining point to get some business.

The argument is the same as it was for Canada getting a slice of the Bomarc business.

Nike Zeus will undergo a rigorous evaluation next winter and spring and if it survives, many tens of millions of dollars worth of business will be flowing up to Canada.

To give an idea of the potential business involved, the entire Nike Zeus system would cost something like $14,600 million for 120 batteries with 50 missiles each and enough electronic and computing equipment to track three targets at the same time.

Then Pentagon still has its eyes on two Canadian aircraft which could mean plenty of business for the Canadian airplane industry:

- The Caribou, produced by **De Havilland Aircraft of Canada Ltd.,** which has been turned over to the U. S. Army for extensive tests. These should be completed over the next 10 months and this Canadian STOL (short take off and landing) plane has a good chance against its U. S. competitors. So far, the Americans are much impressed with the Caribou.
- **A. V. Roe "flying saucer"** is another candidate for a Pentagon order, although this one is much less advanced than the Caribou project. It has not yet been delivered to the U. S. and is still awaiting preliminary evaluation.

The Pentagon, thus far, has not wanted to risk too much money on this. And, as in the Caribou, there is considerable U. S. competition for this kind of aircraft.

One big Canadian prospect is down the drain, however.

That's the potential $400 million order that **Canadair Ltd.** of Montreal had hoped to get for radar picket planes.

This was a victim of the onrushing missile age. Although it has not been formally scrapped by the Pentagon, nobody has mentioned it for months and it presumably faces a lingering death.

The area of greatest profit potential in the defence industry "marriage" for Canadian plants probably is in development.

The difficulty in this field is the heavy expensive and high risk in starting such development.

It does, however, come back to the old business fundamental — a big risk for a big profit.

U. S. industry concern over sending defence orders to Canada has not been much in evidence lately.

This, however, remains a sleeping giant of a problem for both Canadian and U. S. authorities. There is a constant death struggle going on in the United States between aircraft plants on the East Coast and those on the West Coast, and plants in the North against plants in the South.

The Congressional Record is filled with fire-and-brimstone speeches denouncing the Pentagon procurement policy that sends more orders to one region than to another.

It would not take much for such complaints to centre on Canada if Canadian industry gets a healthy share of U. S. defence orders, despite our substantial contribution of real estate to what the late Secretary of State Dulles once called the continental defence of the United States.

For this reason, Canadian and U. S. officials are hesitant to say much about defence sharing.

In reports to Congress, the tendency has been to play down the sharing.

In private, however, U. S. officials have been most anxious to have Canadian industry share defence orders and they have been encouraging not only their own procurement officers to look above the 49th parallel, but also giving the same encouragement to big prime contractors in the United States.

It involves a massive "education", however, and thus takes considerable time.

One big danger for the future of the Canada-U.S. defence industry "marriage" is the offensive-versus-defensive argument now raging in the Pentagon and among military strategists elsewhere.

The offensive supporters say there really is no effective defence against missile attack and thus the best and only deterrent the U. S. should have is a vastly expanded offensive capability.

In other words, buy more ICBM's and don't worry about defending North America.

The $14.6 billion cost of a Nike Zeus defensive system against missile attack could buy a lot of offensive ICBM's.

The Russians, say Pentagon followers of this line—and Senators like Stuart Symington, Missouri Democrat, are far more afraid of the U. S. ICBM's than they are of Nike Zeus.

Incidentally, Sen. Symington is a candidate for the Democratic presidential nomination and should he happen to become the next U. S. president, the "offensive argument" boys might well win out and thus, Canadian industry would lose many millions of dollars worth of potential business.

This offensive-versus-defensive argument will get another go-around in the coming session of the U. S. Congress.

Over-all, the U. S. Air Force remains the best customer for Canadian industry, accounting for well over half of the estimated $70 million in orders placed in the last year.

The Navy has been buying more in Canada lately and if the Nike Zeus system keeps being developed, the Army, which controls this missile, will become a major source of business for Canadian defence plants.

Waiving of the Buy American Act for most Canadian defence production was one of the major accomplishments of the defence industry "marriage." It enabled Canadian companies to compete more fairly with U. S. plants and it makes it more attractive for big prime contractors in the U. S. to place subcontract orders in Canada. This waiving was accomplished by the Pentagon with only the slightest complaints from Congress, a not inconsiderable feat considering many U. S. plants were idle at the time and there were 4.5 million unemployed.

Aviation Insurance Pools Highly Specialized Industry

(CONTINUED FROM P. 54)

sengers; property damage; and bodily injury of passengers.

A wide variety of unusual claims can crop up under aircraft liability.

A few mink ranchers, for example, have tried to collect from a number of air lines on grounds that their planes were responsible for the death of young mink.

Their claim: Noise of low flying aircraft so terrified the adult mink that they turned on their young and killed them.

While aviation insurers, of necessity, are continually thinking in terms of losses that may reach catastrophic proportions, air travel from the passenger's point of view is a relatively safe proposition these days.

Most life insurance policies no longer contain provisions that exclude liability in the event of death of the policyholder due to an aircraft accident.

Further, flight crews of commercial air lines — which are exposed to greater risks than the average traveler — can buy life insurance at the same or only slightly higher premiums than those for an "ordinary" individual.

Statistically, it is also possible to show that air travel is considerably safer than many other forms of public transportation.

Yet for the aviation insurer, rate-making remains risky.

If a loss does occur, the chances are it can easily be one of catastrophic proportions.

In fact, underwriters claim they have a higher unit catastrophe loss than any other branch of the insurance business. This is another way of saying that aviation underwriters are forever condemned to having relatively few, highly vulnerable and very valuable "eggs" in the insurance basket.

With the rapid strides in aviation technology and development of generation after generation of new aircraft, their problem is bound to grow more acute in the years to come.

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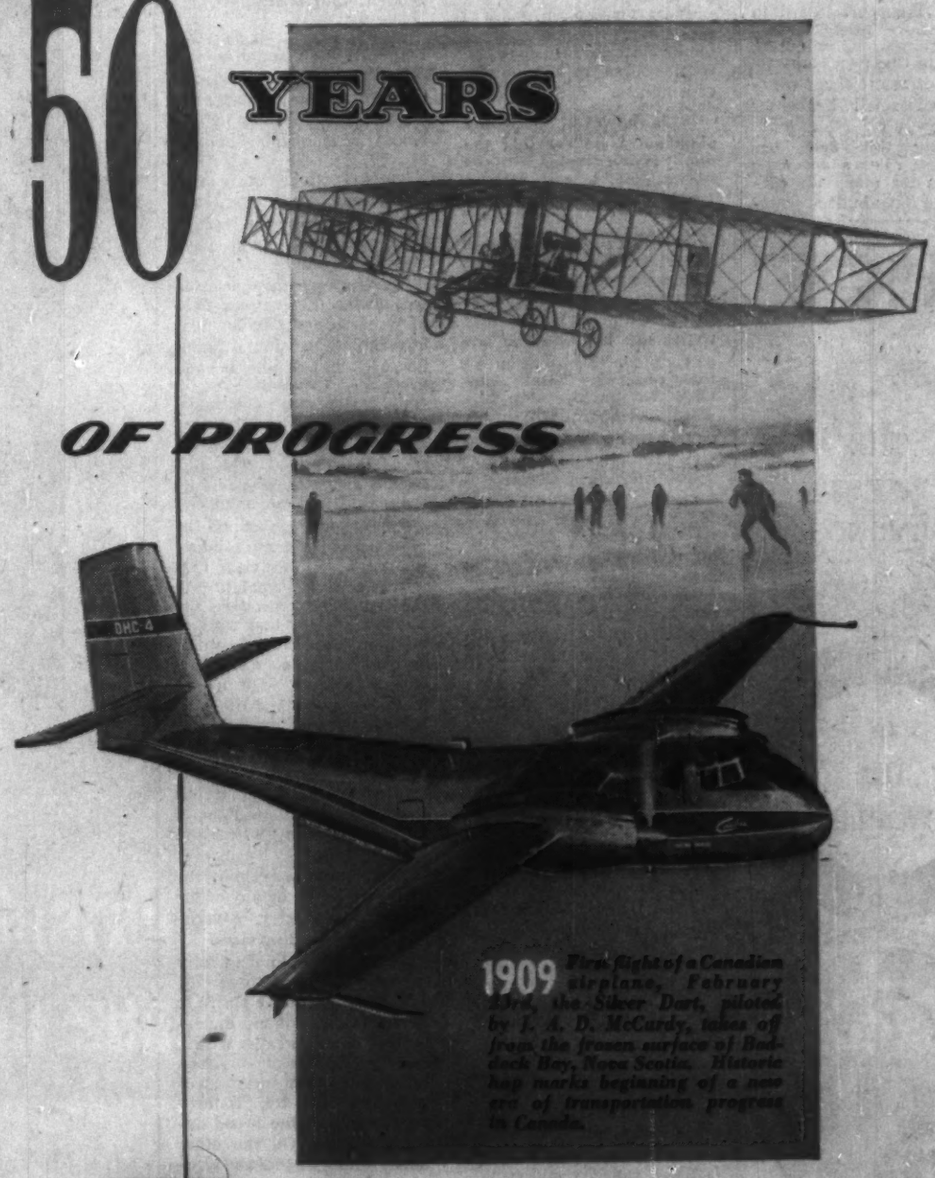

1909 First flight of a Canadian airplane, February 23rd, the Silver Dart, piloted by J. A. D. McCurdy, takes off from the frozen surface of Baddeck Bay, Nova Scotia. Historic hop marks beginning of a new era of transportation progress in Canada.

1959 First delivery in February of a de Havilland Canada DHC-4 Caribou at Downsview, Ontario. Fifty years after the Silver Dart, the Caribou — the first STOL aircraft in its weight category (24,000 lbs.) — ushers in a new era of cargo/passenger air service to the remote areas of the world.

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Tough Talk

Lacking in Air Policy?

Last week the Air Industries & Transport Association, whose members comprise both the industrial and operating sides of the Canadian aviation industry, met in Montreal in annual convention.

They heard outgoing president J. A. Morley report on an eventful year for both builders and flyers.

Morley was previously vice-president sales and service of AVRO AIRCRAFT LTD. *Recently he joined* CANADAIR LTD.'S *staff.*

Some previous AITA presidential reports had been criticized for not speaking clearly enough on issues important to the industry. Last week, however, the members listened to blunt talk.

This is what Morley said:

The past year, for both the aircraft industry and the operators, has been fraught with disappointment, uncertainty and major change in outlook. The absence of a comprehensive Canadian aviation policy as it affects the past and future of both segments of the industry has had its toll.

Dealing first with the air transport picture, Morley said:

During the summer of 1958 the Minister of Transport announced his decision directing the Air Transport Board to issue licenses freely on request to applicants proposing to operate Class 4 group "C" charter commercial air services and small helicopter services.

Opening this door has created serious economic problems for many air carriers who have built successful businesses based on public necessity and convenience.

Many carriers were experiencing a decline in revenues as a result of economic recession; and the indiscriminate licensing of a multitude of new carriers further aggravated their problems.

Perhaps now that the effects have become evident the minister will see fit to close the door and prevent further economic hardship.

A further change of the "ad hoc" policy was effected by a recent judgement handed down by the Minister of Transport when he overruled a decision of the Air Transport Board pertaining to the proposed operation of large helicopters.

While it is not my intention to comment on the propriety of this specific judgement, I am concerned with the implied change of policy.

Will this further alter the yardstick applied by the Air Transport Board in making decisions and is it likely to extend into fixed wing operations?

It would seem that Canadian air carriers are entitled to an immediate clarification of government intention.

We have long heard that the issuing of a license to operate a commercial air service carries with it not only privileges and economic protection, but also, on the part of the carrier, a responsibility to the public.

The Air Transport Board is committed to ensure that the public interest is a prime consideration in the issuing of a license.

It is however, becoming abundantly evident that the public is preoccupied with the lowest possible cost without regard for efficiency and safety.

Speaking of economics it is interesting to note the recent applications made by regional carriers for the extension of their routes. If these new routes are justified and the carriers concerned can prove their case, we can only surmise that another step forward is being made in the development of Canadian civil aviation.

The Air Transport Board is presently conducting its survey of regional carriers. AITA considered conducting an independent survey, but rejected this pending the outcome of the board's survey — which we understand will be available by the end of 1959.

What the survey will reveal we can only guess.

The Air Transport Board should be commended in taking the initiative and it is to be hoped that a formula may be evolved which will enure to the benefit of the regional carriers and the development of sound route patterns.

Last January a precedent was established in the granting of a license to **Canadian Pacific Air Lines** to enter into trans-continental competition with **Trans-Canada Airlines.** This interesting development may have far-reaching implications for the future of Canadian aviation.

Some comment should be made about the far-reaching technical advances in airplane design which have continued to improve the speed, comfort, capacity and economy of operation.

We are aware of this effect on passenger aircraft but an even greater impact will be found in cargo aircraft as a result of these technical improvements.

Air cargo service is now a worldwide operation.

Air cargo traffic has doubled in the period 1951-58. The latest figures released by IATA for 1958 show the volume of air cargo rose by 21.5% as compared with the previous year — a total of 1.8 billion ton-miles.

It has been estimated that if cargo tariffs were cut in half, air cargo volume would increase tenfold.

Here indeed is an interesting challenge for both sides of our industry. We have two unique cargo aircraft in production in Canada — the **de Havilland** Caribou and the **Canadair** Forty-Four.

We have the airlines to operate the aircraft, the business is available and **Canada can become a world leader in all phases of air cargo.**

As a parting thought on the transport side, I believe, notwithstanding the many problems associated with the development of air transport, Canadian aviation has attained a respected world-wide stature.

In this connection I would urge the Air Transport Board, when future bilateral agreements are being negotiated, to do all in its power to ensure that Canada receives fair value for value given.

Based on their record of achievement, Canadian carriers shall progress from the golden anniversary of powered flight in Canada and face the future with every hope for continued expansion, particularly if a sound government policy with respect to all types of carriers is brought into being.

Morley then turned his attention to the manufacturers:

For the second time in a little more than a decade, the aircraft industry has experienced a tremendous upheaval.

The first, immediately after the second world war, was anticipated. The latter, in 1959, perhaps should have been anticipated.

The government's decision to abandon the complex field of research and development of complete weapon systems, because the cost was beyond economic capability of a country the size of Canada, affected the entire industry — admittedly some firms more than others. The impact, I am sure, was felt by the majority of our members.

The prime minister and the minister of defence production made it quite clear that it was **not** the capability of the industry to produce the weapon system that was in question, but that the rate of spending to ensure a weapon system with useful operational role and life was, in their opinion, impossible to justify.

We have no serious argument with these decisions, but it must raise the questions in all our minds of "Where did we go wrong?".

This question cannot be easily answered by any of the parties — industry, government and armed services.

I certainly will not attempt to answer it. Perhaps industry, in its sincere desire to please the customer, undertook to perform tasks which, because of economic or scientific reasons was inconsistent with the part this country was to play in the broad defence picture. On the other hand, it may be that the armed forces, in their sincere desire to have the ultimate in weapon systems, demanded unrealistic system performance inconsistent with the state of the art.

The lesson that must be learned as a result of the past few years' experience is that the armed forces, government and industry must strike a long-term entente that ensures the direction we have chosen will lead to the best possible results in the most economic manner.

This may well mean the activity in the industry could be reduced and level off at a plateau lower than has been enjoyed in the past five years.

It is quite obvious, contrary to many opinions expressed privately and publicly, that it is not the intention of the government to abandon an industry that employs upward of 40,000 people, the majority of which are engineering, scientific and highly skilled personnel.

This is borne out by the government's concentrated effort to promote a production sharing program for the mutual defence of the North American continent.

The Department of Defence Production has made many inroads into the U. S. defence market, but it is too early to assess accurately the success of this program.

Many of our members have spent considerable sums of money in trying to establish U. S. defence markets with varying degrees of success.

It is the government's intention that sharing in the development of defence requirements with the U. S. will fill the vacuum created by their decision to abandon this field.

We cannot continue buying foreign-made or designed equipment and retain our identity as an industry.

This policy will be difficult to establish, but the government must appreciate some fundamental principles adopted by foreign countries in the field of aviation.

One comes to mind, and that is, it is virtually impossible for a Canadian operator to finance purchase of Canadian-built equipment without mortgaging his soul.

The aircraft industry has been accused of being on a gravy train because of cost-plus-type contracts. This is not factual.

The main reason the cost-plus-type contract was perpetuated in the industry was because the government agencies, through no fault of their own, were incapable of negotiating any other type of contract for the majority of projects.

As you well know, it is very difficult to aim at a firm price when the requirement changes from day to day.

The government's decision last fall to eliminate cost-plus-type contract led to considerable difficulties in some areas, and many of our members who are most anxious to be on fixed price still are not covered for work in progress.

For purpose of emphasis, I would like to summarize the points I've tried to put across.

Since the aircraft industry in Canada, aided and abetted by present and past government pressure, has concentrated on military requirements which resulted in a single customer whose pulse is nearly impossible to feel — contrary to the commercial market where market surveys are a tool to forecast what the people want — we must rely on a realistic aviation policy both military and commercial.

Therefore, the five-point program that I recommend for the industry is as follows:

- **Greater participation by industry in the selection of development projects** under the development and production sharing programs. Who knows better the capability of industry than industry itself?
- **Enlighten the government about the over-all economic benefits of ensuring that Canadian** primes and subcontractors compete on equal basis with foreign contractors in production of foreign-designed aircraft.
- **Win the confidence of government departments, to ensure that prior discussions with the industry** take place before enactment of legislation that may not achieve desired results.
- **Urge the government to formulate a sound realistic defence policy so that industry's effort may be concentrated** in a field that will gain recognition for Canada as an expert in that field.

This could be, for example, an undertaking by the RCAF and the RCN of the complete role of anti-submarine warfare for the entire North American continent.

- **Urge the government to review policy with respect to assisting in the financing of Canadian-built aircraft** for licensed Canadian operators.

This could result in achieving an effective mix of military and commercial business for the industry.

More Pilots and Aircraft

	Dec., 1958	Dec., 1957	Dec., 1956	Dec., 1955
Airports licensed	480	530	519	493
Aircraft licensed				
Commercial*	1,879	2,001	1,764	1,682
Private	2,438	2,004	1,566	1,466
State (DOT, RCMP)	192	...	...	...
Pilot licenses				
Private	9,043	7,832	6,580	5,559
Commercial	2,548	2,411	2,145	1,754
Senior Commercial	423	399	380	312
Airline transport	1,069	968	831	717
Air traffic controller licenses	631	565	416	270
Aircraft maintenance engineers	2,043	1,916	1,747	1,544
Air navigators	108	101	77	56
Flight engineers	49	43	33	20

*Includes State Aircraft.

Source: Department of Transport, Economics Division.

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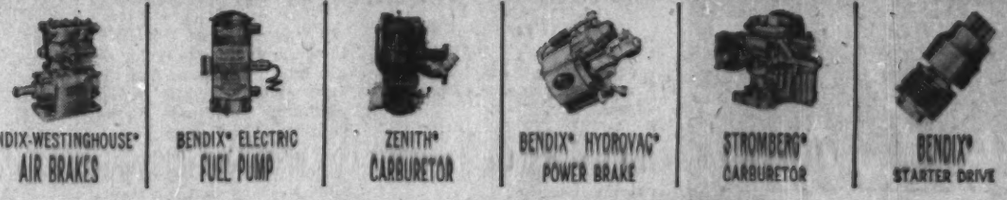

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Seek Wage Boost To Level of U. S.

That old bogey of Canadian industrial relations — labor pressure for wage equality with the U. S. — looms grimly in our air transport and manufacturing industries.

Barring more financial troubles for the companies, it appears that unions will push hard to "narrow the gap" between Canadian and U. S. wages for similar jobs.

The unions don't really expect complete equality. But they are marshalling their arguments for less inequality.

For the major companies—which will shoulder most of the pattern-setting bargaining job — this probably means:

- **Tough** negotiations.
- **A public relations** problem.

It is always hard to counteract a labor demand for similar wages for similar work. It has an air of sweet reason, of fairness.

For Canada generally, however, it isn't valid. Because of a variety of economic factors, the average Canadian isn't as productive as the average U. S. citizen.

This doesn't mean that he is a poor worker. He may work very hard. But our present combination of resources only produces about three-quarters as much per capita as it does in the U.S.

However, there are some industries in Canada that are quite as productive, per worker, as their U. S. counterparts; and have similar cost structures.

These industries can — and often do — pay wages as high as those south of the border.

So the fight in Canadian aviation will be over whether our airlines and aircraft makers fall into this category.

The companies undoubtedly will point to erratic and highly competitive business in manufacturing (as typified by the cancellation of the **Avro** Arrow and resultant unemployment); and to widening competition between airlines.

Unions, it appears, will contend that, aside from Toronto's Avro, the remainder of the manufacturing industry is doing better than it had once expected. Why, union men will ask, should one depressed company depress the industry-wide wage and fringe benefit structure?

On the airlines, unions feel that Canadian operators are at least as well off as those in the U. S. — which may be regarded by management as very chilly comfort — and therefore should pay wages closer to U. S. levels.

The key unions:

- **The big Machinists Union, an international organization affiliated with Canadian Labor Congress.** It dominates the manufacturing industry, also has many mechanic members.
- **Canadian Air Line Pilots' Association, an independent, with certifications** now for the three largest air lines — **Trans - Canada Air Lines, Canadian Pacific Air Lines and Pacific Western.**

There's a silver lining in manufacturing. The Machinists Union knows its membership would suffer from wage and benefit increases so large that the industry proved unable to compete. Companies would lose contracts and the Machinists would lose members.

Thus the union wants everything it can get, but only up to the point where substantial losses in business occur. The real disagreement may come over where this point is likely to be reached.

Impressed by the Avro difficulties, the union has recently signed a new contract covering sister - companies **Avro Aircraft** and **Orenda Engines.**

It's for two years and calls for a simple extension of the old contract with a slight increase in the cost-of-living.

However, there is provision for renewed negotiation if Avro gets into new fields which might stimulate greater prosperity.

The new contract extends to mid-1961.

At big **Canadair Ltd.** in Montreal, the earlier fear of large layoffs has disappeared with orders for the F-104 for the RCAF and the CL-44 for the RCAF and air lines. There is a good chance, too, that the CL-41 jet trainer could enter production for the RCAF.

A two - year contract expires in the Fall of 1960. It has given Machinists' members a substantial wage boost and a short work week.

It's possible Canadair will be shy next year about giving wage boosts because it is building the 104 on a fixed-price, rather than cost-plus, basis.

But, "U. S. rates should be a factor" in the next contract says a union official.

At **deHavilland Aircraft of Canada** in Toronto, United Auto Workers bargains for both office and plant, the latter setting the pattern.

Some years ago there was a bitter strike. **However the union reportedly does not regard this as a "problem" situation.** Plant contract expires early next year.

On the airlines, at FP press-time, CALPA — the pilots' union — had contracts open at all three of its top certifications, TCA, CPA, PWA.

The TCA contract could be the pace-setter. It's possible that CPA talks will lag awaiting an outcome at the government - owned airline. At PWA, CALPA has recently become the bargaining agent.

Points of disagreement between CALPA and TCA include pay (the union wants a fat boost to a level close to that in the U. S.); number of pilots (CALPA wants written guarantee that three will be carried on trans-continental and trans-ocean airliners); pay for simulator training.

Earlier the union won the one-in-four formula at TCA. This pays pilots an hour's flight time for every four on the ground while away from home base; up to the man's guaranteed monthly pay.

At CPA, a major issue will be the method of pay. Men are now on a fixed salary. The union undoubtedly will push for pay that's related to "productivity" — which rises sharply when the big, fast jets go into service.

CPA already is carrying three pilots on its big planes.

Meanwhile CALPA is intent upon organizing the many smaller airlines in Canada, which traditionally have been non-union.

It reports "fairly good" reaction from the pilots concerned. Main objectives, the union says, are stricter safety provisions including flight time limitation.

This is one of the "rich" industries for labor.

Pay in aircraft construction and parts is considerably higher than the Canadian average.

This reflects a high percentage of skilled and semi-skilled workers. Men on hourly rates average around $2 per hour.

Average weekly wage-salary in the industry last year was $87.48 compared with $72.67 in manufacturing generally and $70.43 for all industry.

A look at employment figures for aircraft and parts firms shows the erratic nature of the industry. In 1945, 38,000 were on payroll, a reflection of wartime conditions.

This dropped to 8,000 in 1948, the low point. The employment total hit 19,000 by 1951, 38,000 in 1953. Then it eased to 33,000 in 1955, bumped to a post-war record of 42,000 in 1957. Because of the cancellation of Avro Arrow production plans it probably now is between 30,000 and 35,000.

Employment by commercial air carriers has shown a steadier uptrend, rising from 4,400 in 1945 to 11,000 in 1953 and 16,000 in 1958.

And these, too, are highly paid employees. The result is a fat total payroll for the combined transport - manufacturing industry.

Payrolls hit $262 million last year, almost doubled in six years. This compares with the post-war low, in 1947, of $35 million.

Wages by the Hour

Hourly wages of the aircraft and parts industry

	1958	1957
Aircraft electrician	1.95	1.85
Aero-engine mechanic	1.92	1.77
Carpenter	2.01	1.94
Final assembler	1.91	1.77
Inspector	1.98	1.90
Laborer	1.55	1.40
Lathe operator	2.00	1.84
Machinist	2.08	2.02
Major-assembler	1.98	1.83
Milling machine operator	2.04	1.85
Millwright	2.16	2.03
Spray painter	1.85	1.76
Sheet metal worker	1.98	1.88
Tool and die maker	2.23	2.13
Welder	1.94	1.88

Source: Dept. of Labor.

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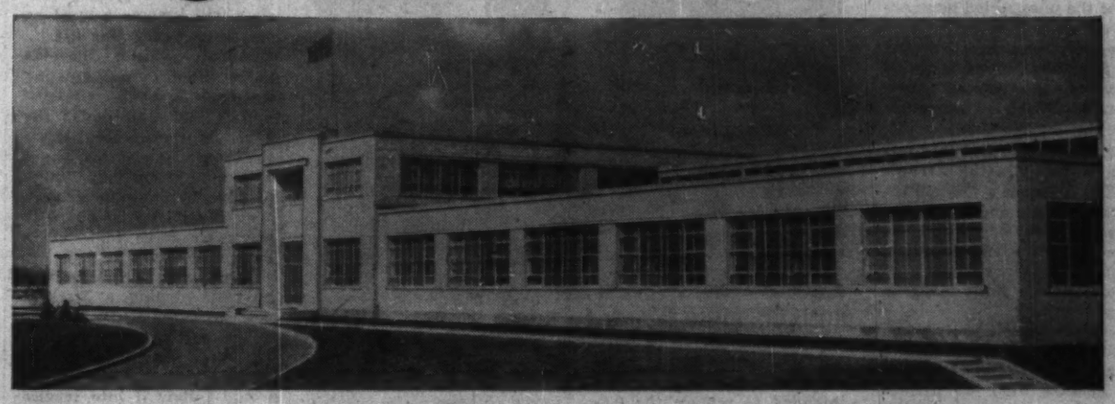

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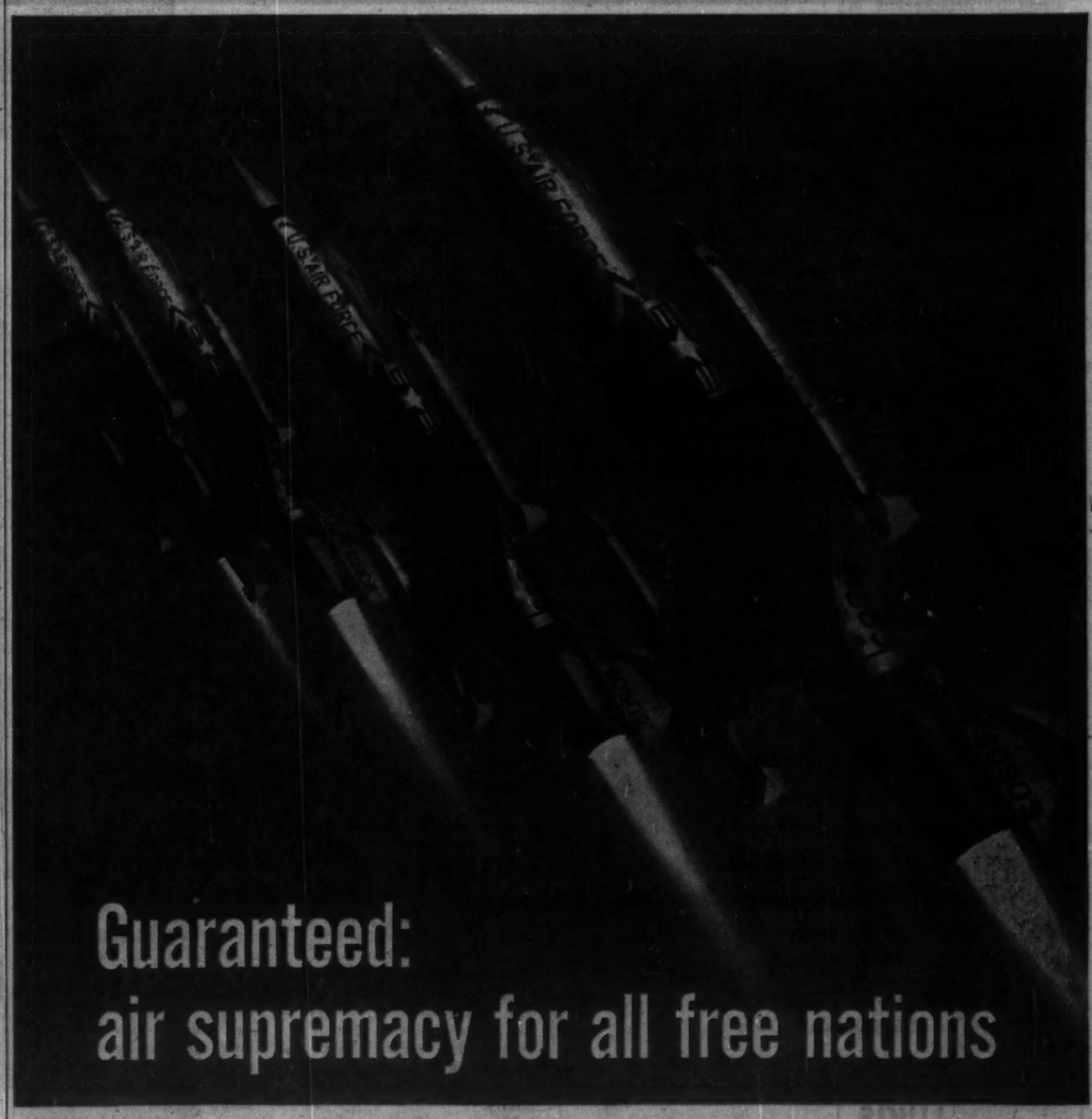

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LOCKHEED

Buy More Missiles From U.S.

Until last winter, missiles were largely somebody else's problem.

Then the Avro Arrow was scrapped and the missile age arrived.

Canadian trade magazines had reported lengthy soul-searchings in Washington and London as the planners came face to face with the new weapons age.

In Canada missile experience was restricted to one project, the intended production of the Sparrow 2 air-to-air missile intended as prime armament for the Avro Arrow.

Canadair Ltd., Canadian Westinghouse and RCA were concerned with building it, producing the intricate electronic brains in both missile and aircraft that would steer it into an oncoming enemy.

If the Arrow hadn't been scrapped, and the Sparrow 2 along with it, Canadians would have ended up with a lot of missile know-how — rather more than Ottawa had perhaps intended originally.

The original plan had been to modify the Sparrow 2 that was being developed by Douglas in the U. S. for use with a new Navy fighter.

It was not until the Canadian end of the operation was deeply into the Sparrow 2 that the unexpected news arrived from Washington that the Americans were dropping it altogether. Canada would have to take over all development if we still wanted to use it.

Many airmen feel that was the first nail in the Arrow's coffin. It meant a marked increase in cost and effort. But the work went ahead and by the time the whole thing was junked the three major contractors were well along in their work.

So it was really only when Canada's single prime missile contract died that Canadians in general woke up to find the missile crouching at the end of the bed. **It looked like something out of a nightmare — and for defence and industry planners that is exactly what it is.**

Overnight, the name Bomarc went from almost complete obscurity into the everyday vocabulary of Canadians. Not unnaturally, considering the way it was presented in Parliament as an apparent replacement for the Arrow, many people looked on it as some pilotless marvel that automatically supplied the answers to our air defence needs.

The later developments — as Washington began to take the hardest of looks at Bomarc — stunned many. It seemed that perhaps Bomarc wasn't going to turn out to be the cure-all people had expected.

In fact Bomarc was never intended to replace the Arrow — or any supersonic manned interceptor — in the over-all North American defence plan; rather it was meant to work along with manned interceptors.

It was just one of a wide range of missiles — manned and unmanned — under development for the North American arsenal.

Under the defence production sharing program Canadian industry could, in theory, bid on all projects concerning defence weapons. Canadian companies — principally Canadair's missile division — have had some success with this.

But from the moment Canada dealt itself out of the Arrow program, Ottawa lost control of any substantial production for continental air defence. From then on, the Canadian industry was forced to keep a close watch on the fast-changing U. S. defence front with an eye to leaping in the moment any new weapons plan won approval.

BOMARC MISSILE, built by Boeing Airplane Co., will equip major bases in northern Quebec and Ontario, has supersonic speed, range up to 400 mi.

It has meant careful studies by Canadian management, and the attempt to keep one jump ahead of trends wherever possible.

So far Canada has ordered three different U. S. missiles. They are:

• Lacrosse. This is a surface-to-surface missile built by Martin Co. It is an army weapon that comes under the heading of advanced artillery.

Its speed is transonic — that means up to the speed of sound. Its range is listed as similar to conventional artillery.

Nineteen feet long, it weighs 2,300 lb. at launching and can be fitted with either nuclear or conventional warheads.

• Sidewinder. This is an air-to-air missile built by Philco Corp. and General Electric. It is now in service with Banshee squadrons of the Canadian Navy.

With supersonic speed and a ceiling of over 50,000 ft. it is a highly effective weapon by today's standards. It uses an infra-red heat-seeking device to find its target. It is about the cheapest missile available and is in wide-scale use.

• Bomarc. This is a surface-to-air guided missile built by Boeing Airplane Co. It is by far Canada's biggest single missile order and will equip major bases in northern Quebec and Ontario covering the approaches to the industrial triangle of Quebec-Ontario.

Supersonic, with a ceiling of more than 68,000 feet, and range of between 200 and 400 miles, Bomarc receives its control from ground-based radar stations attached to the SAGE system (Semi Automatic Ground Environment).

From a production point of view, Canadian companies can hope for little or no Lacrosse or Sidewinder work; the degree of participation in Bomarc production is still being decided.

What other missile orders is Canada likely to place? And how much work from them can Canadian companies hope to win?

These are tricky questions to plague Ottawa planners.

There is a wide range of requirements — too wide, perhaps, for Canada to fill them all. But these are the obvious ones:

• A local defence weapon. However well the outer defences may function, in the event of air attack some enemy bombers or missiles will penetrate.

During World War II a 10% kill rate by fighters was considered excellent, today that figure might be nearer 40%. But in the H-bomb era even 90% may not be enough.

The U. S. has ringed its main targets with "last-ditch" short-range missiles that hope to pick off the enemy that breaks through.

Standard among these is the Nike family of ground-to-air missiles built by **Western Electric Co.** The first two —Nike-Ajax and Nike-Hercules — are both in service. They have supersonic speeds, ceilings around 100,000 ft. and an operational range around the 75 - 100 - mile mark.

• An anti-missile-missile. If, as many experts predict, the Soviet capacity to launch a true missile attack on North America is less than three years away, the need for a second type of defence is pressing.

Again the Nike family of missiles seems to have at least one answer—the Nike-Zeus. Not much has been said about it. But it is the only U. S. missile at present under advanced development to counter the Inter Continental Ballistic Missile.

If Canada hopes to keep some control of its own defence in the years ahead, something in the Nike-Zeus class will become a must on our defence shopping list.

• An air-to-air missile able to be fitted to our existing warplanes.

With the exception of the naval Banshees, there isn't a single service aircraft in use with the Canadian forces equipped with air-to-air missiles, considered by virtually every air force today as a basic necessity.

Two years ago Avro was busy developing a Mark 6 version of the trusty CF-100 to take Sparrow missiles. **This was scrapped when it was decided that the Arrow would follow it into service too quickly.**

Now with the Arrow off the scene, the CF-100s remain armed with free-firing rockets only a little more effective than the ones used by the German Luftwaffe in the closing stages of the last war.

In Europe the Sabre squadrons are even worse off, relying on conventional machine guns.

With the introduction of the F-104 as a Sabre replacement, the need for a new missile system will increase.

Many airmen feel that the CF-100 has lots of operational life left in it yet — providing it is given a new weapons system built around an air-to-air missile. It could continue to complement the F-104 in service. Otherwise it will pass into utter obsolescence within the next year.

• A surface-to-air missile to protect ships. The present conventional anti - aircraft armaments on our ships would serve little real purpose against modern supersonic aircraft.

Both Britain and the U. S. have suitable missiles now in service to protect their surface vessels.

Those are the main outstanding missile needs that face our planners at present.

Any or all of them represent millions of dollars in defence spending. Will all that money have to go out of Canada to buy off-the-shelf missiles from the U. S. or Britain?

Technically Canada's young missile industry could cope with the less sophisticated of them easily. On a licensed production basis it could probably handle all but a handful of the most complex types.

But the initial cost of home production must be higher than direct purchase, although eventually much of this finds its way back into the national purse.

More trying is the problem of time elapsed in setting up Canadian production lines for fairly limited numbers. Canada needs all these new missiles soon if its defence is to remain effective. If Ottawa decides to buy, can it afford to wait?

Both the electronics and airframe sides of the Canadian industry want badly to get into missiles in the prime contracting role.

But the dollar signs and question marks that mar the missile picture don't make the outlook encouraging.

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Collins CNI Systems are now in production for (left to right) the U.S. Navy's McDonnell F4H-1 and Chance Vought F8U-3 fighters and North American A3J-1 attack bomber, and the U.S. Air Force's Republic F-105 fighter-bomber.

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Helicopter Finances Are Shaky

At one time, the versatile helicopter almost seemed to have been built with Canada in mind.

Its ability to cart men and materials into otherwise inaccessible spots opened up new vistas to planners. Construction work, both for defence and industry, boomed ahead under the whirling shadows of the rotor blades.

Yet, today, over 10 years after large-scale helicopter operations began in Canada, a large segment of the Canadian helicopter field is financially shaky.

In the U. S., helicopter operators need subsidies reaching the 75% level to fly services in and around major cities.

Glen McPherson, president of **The Okanagan Group** of Vancouver—which is parent company to five separate operating companies making it by far the world's biggest helicopter operator—sums up the business as "certainly not an investment for widows and orphans."

McPherson blames a number of factors for the sky-high operating costs of the whirlybirds.

CANADIAN helicopter hovers over a cement hopper on a job for a California power company. Okanagan Group, Vancouver, is by far world's largest helicopter operator.

"For one thing," he told FP, "the majority of helicopters so far have been designed and developed for military work. That was fine since no one else could have put up the sort of money needed.

"But the military needs a machine that will do the job to its requirements; operating economy is a secondary consideration.

"Insurance is a serious problem for helicopter operators as well. Because of the nature of our work we do have a number of accidents. They very seldom lead to deaths or even injuries, but the machine is often written off in some remote spot.

"That's because we take over where all other methods of transportation have failed."

The result, he says, is that insurance companies are not anxious to cover helicopters and usually demand full insurance premiums that vary between 18% and 30% annually, with 10% deductible. That adds enormously to the cost of helicopter operations.

"And then you must add spare parts," McPherson continued. "We get them from the makers, and they are naturally trying to amortize the heavy initial cost of design and development. So you end up with the ridiculous situation of buying a rubber washer worth about 1¢ for $1.05."

With all those factors to contend with, Okanagan's boss estimates 5% of gross is the best possible profit a successful operator can hope to take out of helicopter work.

With this background, it might seem remarkable that civil helicopter operations have survived at all. Yet there are signs that now, at last, vertical take-off flying may begin to become a practical business proposition.

The term vertical take-off —or VTO—is used advisedly by airmen because the helicopter no longer holds complete sway in that field.

A large number of VTO projects are under development, two or more in Canada.

They all have the same basic aim: To produce an aircraft that can take off and land vertically—and once in the sky is free to fly like a conventional airplane making use of the "lift" developed by an object's forward movement through air.

Okanagan thinks the British may have one answer in the interesting Fairey Rotodyne. It was the first company to place an order for a Rotodyne. With a payload of 60-70 passengers and a speed of over 200 mph, the Rotodyne powered by **Rolls-Royce** Tyne turbo props could operate efficiently between ranges of 50 and 200 miles.

That fills in an important gap — inter-city transportation. The utter pointlessness of taking an airline bus for a 45-minute trip to an airport, followed by a 15-minute jet flight to another city, and finally another 45-minutes in the bus, has driven transportation men to find a solution.

Certainly a plane that could take off from one city-centre and land in another would cut the frustrating time lags. **Okanagan has ambitions to use Rotodynes on the Vancouver - Victoria - Seattle triangle** if it can get the route away from **TCA.**

However delays in development have slowed the plane's delivery date until now the line isn't sure it will get its first before 1964.

There's another intriguing role for the VTO, that of a sort of high-class bus to whisk passengers from city-centre to suburbs and airfields.

It has been tried in a number of places. Three airlines — in New York, Chicago and Los Angeles — have been operating heavily subsidized runs for some years. The British have also experimented with it in London.

British European Airways' chairman, Lord Douglas, recently let off some steam concerning his line's unsuccessful attempts to find a way to make money with helicopters, ending up with his opinion that helicopters "are for the birds."

In the U. S., where both Federal and civic authorities have been a lot more willing to pour in the subsidies, the operators don't echo Lord Douglas' pungent opinion.

Recently **Los Angeles Airways** placed an order for five new twin-engine, gas turbine-powered S-61 helicopters with **Sikorsky Aircraft.** These will carry 28 passengers at an estimated cost of 5.7c per seat-mile.

With these new machines, due for delivery and service in 1961-62, LAA expects to slice its subsidies down from 70% of revenues to 25%. While a casual glance might indicate this is still pretty high, LAA executives point out that taking into account the great traffic problem in and around their sprawling city, it might be the most economical way of moving people around.

Other new 'copters are coming along that should offer the same sort of operating economies. (One may soon be built in Canada by **Vertol Helicopters.**)

If they do, the present U. S. services — still officially experimental in nature—might be significant for Canadian town planners.

Toronto, Montreal and Vancouver all have acute traffic problems that are being fought to a great extent by the building of more and better superhighways.

"But how long can that last?" one helicopter man queried recently. "Logically one eventually reaches the point where 20 expressways all lead into the downtown area and the biggest traffic jam in history. People could starve in that sea of chrome and bad tempers."

A limited attempt at solving the dilemma was made by **Autair Ltd.** of Montreal, a late comer to the field, when it introduced a Hamilton-Toronto route which failed.

But helicopter men don't take that as conclusive proof that it would never work — just that for the time being the cost of present helicopters rules out practical business operation.

Canadian operators face a headache that troubles so many Canadian businesses—the winter. During the summer construction boom, there is work aplenty for all the operators, but when snow falls so does the need for helicopters.

So far the feast and famine nature of the work has broken the back of many an ambitious plan.

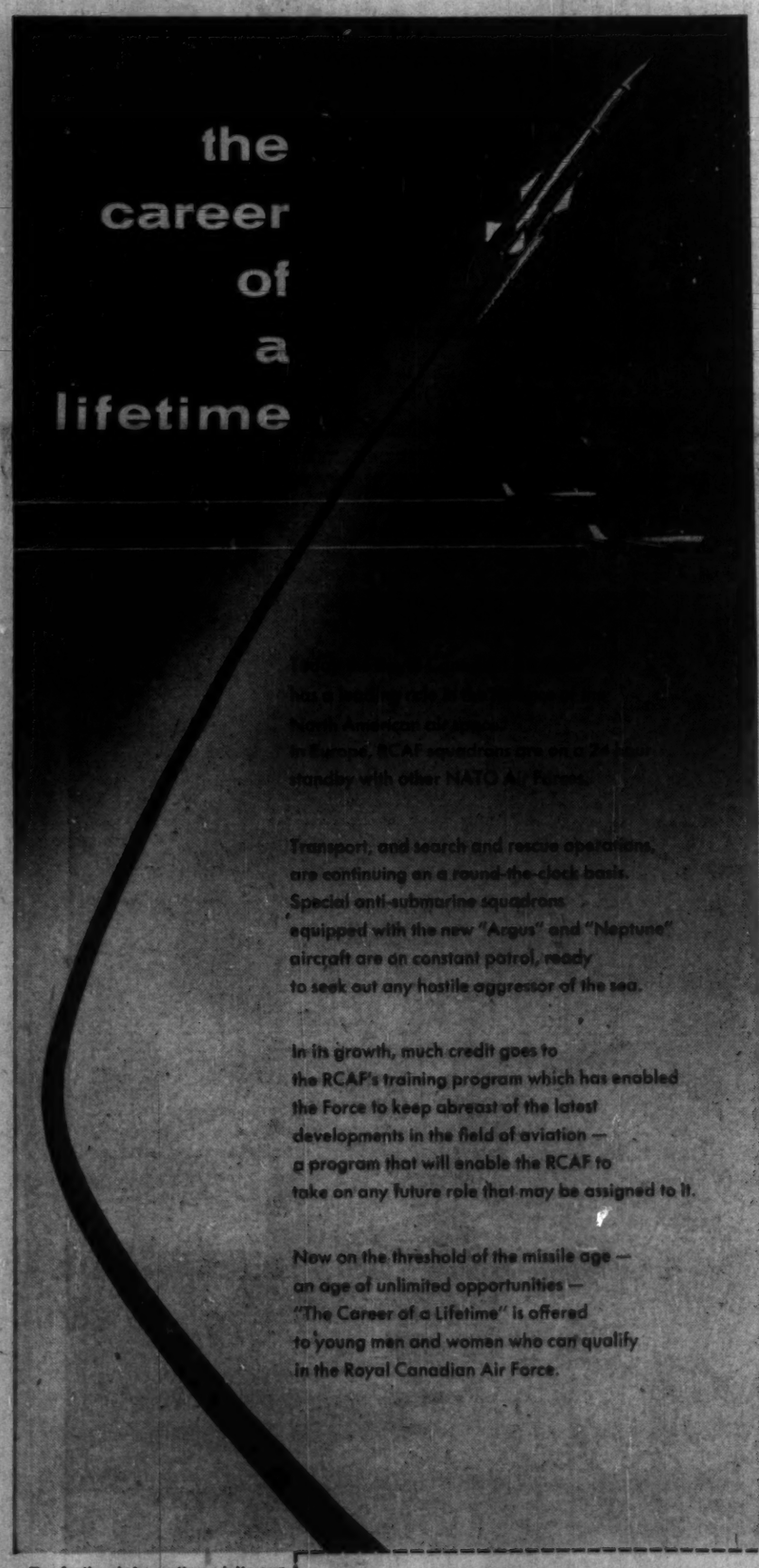
The first year-'round contract for big helicopters was only granted this fall, and that went to Okanagan to supply USAF radar bases in Labrador and Newfoundland.

"I suppose we were a little like an athlete who reads his own press notices," mused one helicopter operator. "It looked too good to be true when it all started. The helicopter is still the best vehicle — the only vehicle — to do the vital jobs in the barren parts of the world where roads cost thousands of dollars a yard to build.

More of these are what helicopter men want badly.

"But the design needs to grow up some more, to become more sophisticated, before it can compete with 'civilized' transport.

"I still think that it will, and soon. Then the long-awaited revolution in Canadian transportation will have arrived."



FLY-IT-YOURSELF service is growing in Canada. Pioneer is Jack Lingham, veteran of 14 years' service with the RAF. Airgo Ltd. is based in Toronto and Montreal.

Airgo Ltd.

Fly-it-Yourself Pays

Fly-it-yourself is paying off in rapid growth for a new venture run by a 34-year-old veteran of 14 years in the Royal Air Force.

Pioneering in what may be a fast growing field, **Airgo Ltd.** rents aircraft like **Hertz** rents cars.

Jack Lingham, a newcomer to Canada last winter, has flown the gamut from wartime Mosquitoes, Spitfires and Lancasters to modern-day jets. He has chalked up this early record for Airgo.

- **In the first three months (to the end of July),** Airgo averaged 50 flights (rentals) a month.
- **The last two months were** at the rate of 70 flights.
- **Operations have been expanded from one base at Toronto's Island airport** to include a turn-around plant using a base at Montreal.
- **Four single-engine aircraft are rented to flying** businessmen or Sunday pilots. This includes a two-passenger seaplane and three four-passenger land planes.

Rent-a-Plane Costs

Toronto to Montreal

	One-way	Return	Number
Airgo	$32	$68	Pilot plus three passengers
TCA	$24	$46	Single 1st class
	$16	$32	Single tourist
Rail	$14.80	$26.65	Single 1st class
	$12.35	$22.25	Single coach
Bus	$10.25	$18.40	Single

The idea behind Airgo, explains Jack Lingham, is to round out services available to the growing number of air-minded Canadians who are licensed to fly.

It is trying to close the gap between the man who can own his own aircraft and the person who can fly but can't afford his own airplane.

The number of potential users has been growing rapidly in a nation where distances are great between major centres.

Department of Transport figures show 9,043 private flying licenses in effect in Canada at the end of 1958.

This is a 40% increase in two years. Commercial licenses in force totaled 2,548 in 1958, as against 2,145 in 1956.

Airgo differs from the charter services which have long been a backbone of Canadian wilderness communications in this major respect:

Airgo is solely in the business of renting aircraft to people who have licenses to fly. Charter services usually rent both the plane and pilot.

Airgo aims to have a plane available at any time. Lingham will, on occasion, rent his own services as a charter pilot if an aircraft is available, but the prime purpose is to supply planes to people who can do their own flying.

The company has already put money in the bank for one Toronto building contractor.

Flying to a small isolated lake in the Georgian Bay district, the contractor and his son — who holds a private license — returned six hours later having signed a contract to build 500 summer cottages near Parry Sound. The trip cost them $60, the fee for Airgo's sea-plane.

Renting for "Minutes to Months" could be this firm's slogan. Airgo charges $12-$17 an hour for the rental for one of its four-place single-engined airplanes.

These machines are the latest executive type and are maintained by the company. Cruising speeds are in the 120 mph bracket. All occupants are insured.

A typical rental for a trip from Toronto to Montreal would cost a businessman $68 return for four passengers (including pilot).

The average cost per person of $17 is well below TCA at $46 and is even less than bus fare of $18.40 for one person.

In addition, a recently inaugurated turn-around service means that the business group of four simply leaves the aircraft and doesn't have to worry about flying it back to Toronto. The aircraft would be rented to someone else who wants to fly from Montreal to Toronto.

The big growth of business and executive flying in Canada and the U. S. since the war was prompted by light-plane designers catering to corporation needs.

It has pût wings on the feet of the sales manager and engineering representative.

Almost 300 Canadian companies operate their own aircraft, from single-engine flivers to four-engine transports.

Here again Airgo tries to fit in, providing a stand-by machine if the company aircraft is absent from base or unservicable due to overhaul.

Airplanes can be rented on a contract basis at a considerable saving but the customer must pay for fuel and maintenance costs, while it is in his custody. This is what Lingham calls a "dry lease," but Airgo retains the responsibility of maintaining full insurance costs.

Most important consideration is that the person at the controls must have a license. If the president of a company wants to fly south and he hasn't got a pilot's license he can order the flying office-boy to take him down.

Airgo doesn't care, so long as the president pays the bills.

Two hours of free ground time is allowed on each leg of a trip. If the aircraft is rented for a longer time than normal, a minimum of four air hours must be guaranteed by the customer.

The coming of omni-range radio beacons in Canada recently has taken a lot of the sweat out of air navigation.

The omni receiver is in effect an electric compass. The pilot need only tune to the range station at his destination, fly to keep the indicator on zero on the instrument and he hits his goal regardless of wind direction or other weather vicissitudes.

A check-out flight is sometimes required by Lingham prior to letting an aircraft to a prospective user. This is necessary if he (or she) has'nt flown for some time or is unfamiliar with the type of airplane.

Usually a half-hour or an hour is all the time necessary, depending on the person's experience or ability.

Airgo is backed by a group of prominent investors who remain in the background, leaving the managing to Lingham.

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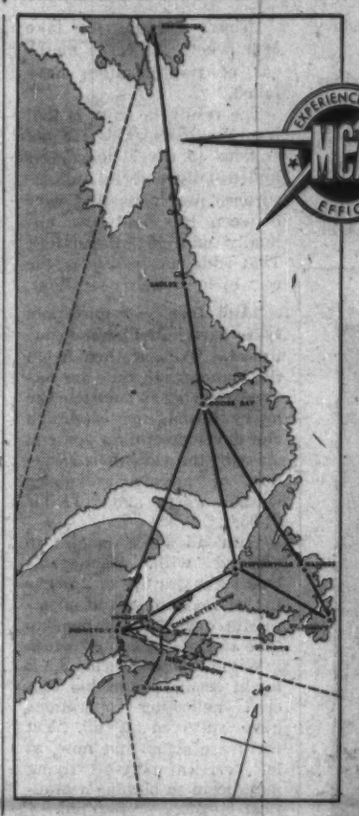

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Business Aircraft Costs

Type	Typical Purchase Price (1)	Per-hour Direct Operating Cost (2)	Average Block Speed (3)	Cents-per-mile Operating Cost (4)
Douglas DC-3	$175,000 (u)	$75	155 mph	48.4
Beech Super 18	$160,000	$35	190 mph	18.4
Beech 18	$ 70,000 (u)	$40	175 mph	22.8
D. H. Heron	$230,000	$57	170 mph	33.5
D. H. Dove	$135,000	$42	170 mph	25.1
Royal Gull	$ 55,000 (u)	$32	150 mph	21.3
Super Widgeon	$ 55,000 (u)	$34	150 mph	22.6
Beech Twin Bonanza	$130,000	$30	185 mph	16.2
Super Twin Bonanza	$150,000	$35	195 mph	17.9
Aero Commander 560E	$ 92,600	$35	185 mph	18.6
Aero Commander 680	$160,000	$40	195 mph	20.5
Cessna 310	$ 70,000	$17.74	190 mph	9.3
Beech Travel Air	$ 67,000	$17	185 mph	9.2
Piper Apache	$ 46,000	$11.99	155 mph	7.7
Piper Commanche 250	$ 24,000	$ 9.04	170 mph	5.3
Cessna 180	$ 18,000	$ 7.71	145 mph	5.3
Beech Bonanza	$ 32,000	$11	185 mph	5.9
Cessna 172	$ 11,500	$ 5.26	120 mph	4.7
Mooney M.20	$ 19,000	$ 6	150 mph	4.0

This table has been prepared for the guidance of potential business aircraft operators. The figures given are approximate, owing to the many variables in aircraft original and operating costs.

(1) The purchase price given is for an aircraft well equipped with radio and instrument flying equipment. The (u) denotes a used price, which will naturally vary greatly according to condition and equipment fitted.

(2) This figure includes only gas and oil, hydraulic and de-icing fluids, aircraft and engine maintenance; plus a reserve for the required periodic overhauls. To this must be added crew salaries (if any), hangar fees, insurance, landing fees, and depreciation.

(3) This is the average speed flown from point to point, including climb, cruise and descent. Figures are based on a journey from Montreal to Toronto.

(4) To obtain the passenger cost per mile this figure must be divided by the number of people carried on any flight.

Source: Canadian Aviation.

New Trends

Companies Buy Planes

The trend toward business aircraft is quickening.

A recent survey by the Canadian Business Aircraft Operators Association indicated that there are 600 business aircraft in Canada.

About 150 of these are owned by companies who employ professional pilots to fly them. Most of these are multi-engine craft.

The association, formed only last spring, represents these companies in dealings with the Department of Transport. Membership is now 25 and growing, with committees in Montreal, Calgary and Toronto and a head office in Ottawa.

Formation of the association is an indication of a strengthened interest in business flying in Canada.

Many factors have slowed past growth of business flying here compared with its rocket-like expansion in the U. S.

By far the most important is geography. The great majority of business travel in Canada runs along traditional east-west lines — routes already well served by scheduled surface and air transport. There is less need to travel north or south.

And, business plane salesmen report, despite Canada's enormous economic expansion, many of our companies remain extremely conservative.

"We find that there is a real mental block to overcome," one leading salesman told **FP**. "When we approach a client he listens to our arguments about the advantages of owning one's own plane, and he seems convinced.

"Yet in the back of his mind is the distinct feeling that there is something almost scandalously luxurious in the idea. That is hard to beat."

Certainly the company executive "sold" on the idea of a corporation aircraft often still faces sticky sledding.

First he must convince his board that the capital outlay involved is a sound investment — sometimes hard work when suitable planes can cost up to, and over the $1 million mark.

If the board agrees the purchase makes economic sense, there are still the shareholders to be convinced.

And finally there is the very tricky matter of safety. While a corporation plane, properly equipped and flown, is every bit as safe as a scheduled airliner, is a company ready to trust many of its Grade A eggs to any one basket?

With all these adverse factors to contend with, salesmen are always justifiably delighted to make a sale. An important reason for this is that each sale almost guarantees a new group of active boosters for business flying.

"It has been our experience that when a company has bought a plane and operated it for a while, they almost never sell it — except to trade in on a bigger or faster one," Jack Scholefield, president of **Laurentide Aviation Ltd.** of Montreal, told **FP**.

"There have been many cases to my knowledge of fairly sceptical customers ending up the warmest supporters of business flying."

Douglas Ambridge, president of Abitibi Power & Paper, feels this way: "When it was first suggested that we buy an aircraft I thought it was crazy. However, we looked into it and ended up with a DC-3. I can honestly say now that I don't know how we ever managed without it."

Special companies have sprung up at airports across the country to handle the growing executive trade. One of the pioneers was John Timmins who five years ago while still in his mid-twenties formed **Timmins Aviation Ltd.** at Dorval.

Since then he has added frills to the operation — and has been rewarded by steadily climbing business. Soon he will open an even larger operation at Toronto's Malton airport.

An executive arriving at the Timmins centre can radio ahead for any servicing facilities his plane may need plus a car to take him to downtown Montreal. If he wishes to hold a business conference at the airport Timmins has a suitable room available.

If the plane lands with a few rolls of newly dictated correspondence, the centre has a stenographer ready to transcribe it.

It's much the same story at most major fields.

Calgary still leads in the number of executive planes based in one spot since the oil companies make extensive use of this form of transportation.

Business flying, then, is made as simple and convenient as men like Timmins can manage. But is it really a justifiable expense?

"To answer that, an executive must really examine his company's operation," a flying construction executive told **FP**. "How much do the top men get paid? Do they travel much? Do they usually fly routes well served by regular airlines?

"Unless time is money to your operation you had better forget about a plane. But if it is — well then you have the same situation we have where our plane earns its keep many times over every year."

The price range of suitable aircraft is fairly wide — see table.

In addition to the aircraft in the table it is possible to buy war surplus bombers and have them made over into very workable executive machines. But as the war time days fade into the distant past so does the real economy of buying such a plane. Spares and servicing could become a nightmare.

A business plane can be pretty expensive on the ground. Depreciation should be at least 15% annually for the first few years. Hangar space can come high — about $9,600 annually for a DC-3, $1,200 for a small four-seater.

A trained pilot with the sort of experience a company needs to allow him to fly its top brass in any weather commands about $10,000 a year, sometimes more.

These factors all add up. But often they don't cancel out the savings in executive time and temper.

A senior vice-president who can make a 1,000-mile trip and arrive fresh and ready for battle is a valuable asset for any company.

Business flying has won some notable victories in Canada. Airmen consider the purchase of a Viscount turbo-prop by the Royal Bank of Canada a very considerable step forward.

"Let's face it, traditionally the banks are the real strongholds of conservatism in business. If they think it makes sense, then business flying seems here to stay," one plane salesman summed up.

"We took a while to get going but it looks like a big new trend in Canada."

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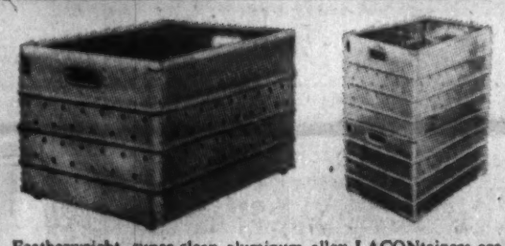

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To be in operation in 1961, the Ferranti-Packard Reservation System will provide TCA passengers with answers to reservation enquiries in *two seconds*. The heart of the reservation network will be a Computer Centre where second by second bookings will be stored automatically in the electronic "brain". This system is another of many Canadian "firsts" for Ferranti-Packard.

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Another Ferranti-Packard all-Canadian project is the design and manufacture of an electronic cheque sorting machine for the Federal Reserve Bank in New York, handling up to 135,000 cheques per hour.

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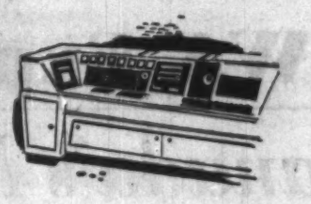
Working in conjunction with the C. D. Howe Co. Ltd. and Atomic Energy of Canada Ltd., Ferranti-Packard designed and built the control equipment for the N. R. U. Nuclear Reactor at Chalk River. Arising out of this work simulators have been developed for reactor control and operation study.



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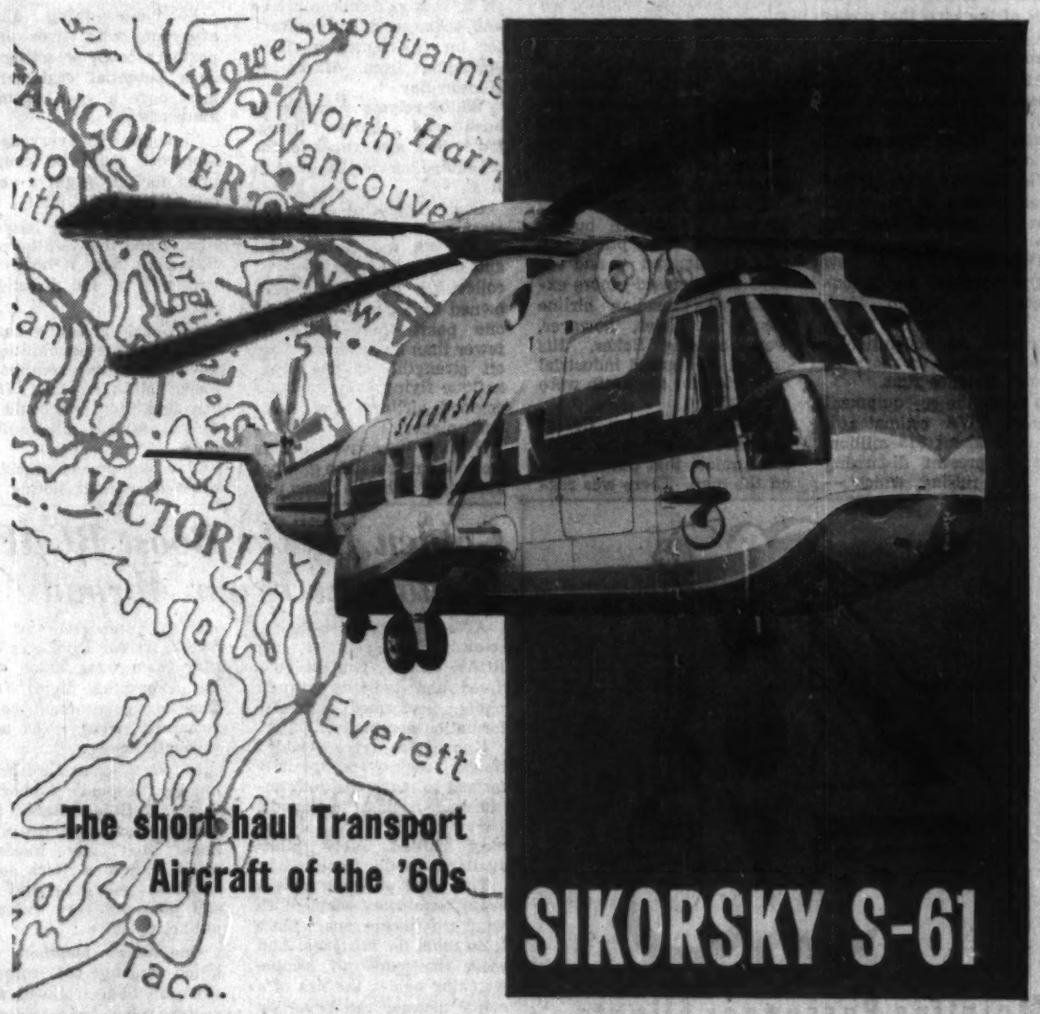

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The new Canadian Distributorship is the most recent link between the Armstrong and Heli-Coil names, having been preceded by similar arrangements in other parts of the world for several years. The appointment coincides with the 50th anniversary of the Armstrong Group, manufacturers of hydraulic equipment for the automotive, aircraft and industrial fields.

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PWA Expands

Canada's No. 3 Airline

This year saw **Pacific Western Airlines** take firm hold as Canada's No. 3 airline.

The Vancouver-based operation has ambitious plans to extend modern turbine-powered airline service into the north.

Its executives are considering a number of new planes for the fleet. Thinking right now runs toward three different types, all equipped with **Rolls-Royce** Dart turbo props of the kind that power **TCA's** Viscounts.

Probable choices:

- **F.27 Friendship,** a neat 40-seater twin-engined airliner, probably the most suitable DC-3 replacement available.
- **Viscount 800,** a bigger and better version of the well-proven Viscounts used by TCA.
- **AW Argosy,** a new freighter-airliner under construction in Britain. With four Darts it has the power and speed to revolutionize cargo operations on short-to-medium distance runs.

To cover the re-equipment program PWA estimates it will need about $15 million. It is at present discussing new fund raising, which — officials told **FP**—might take the form of equity financing.

All this is a big step forward in a very short time. Less than 14 years ago the line consisted of a one-plane, one-man operation. The plane was an old Beechcraft floatplane and the man was Russell Baker.

In those days he patroled the forests of Northern B. C. looking for fires, delivered the mail, ran predator control services, hauled supplies for prospectors, trappers, the RCMP and game wardens.

He called his "airline" **Central British Columbia Airways.** The expansion began in 1949 when Baker bought a small Kamloops charter service and hired the owner as a pilot.

By then Baker was ready to roll. He started buying planes and hiring pilots at a rate that amazed — and occasionally amused—more experienced Canadian airline men. The fates, however, were backing Baker. His dreams of a grand industrial expansion for the north were coming true.

It was **Aluminum Co. of Canada's** breathtaking Kitimat project that put his line on the map. There was regular business and Baker was there to take it.

During the Kitimat period C.B.C.A. changed its name to Pacific Western Airlines. Expansion was still the key word. At one point PWA was unable to get a licence it wanted, so Baker bought out an air charter firm that had the necessary permission to fly.

When the DEW line airlift arrived PWA was ready to fly it, first as a subcontractor and, today, as prime contractor for the central division spreading from Alaska to Hudson Bay.

While relying heavily on bush and charter flying, PWA had also got into the scheduled service business in B. C.

Such rapid-fire expansion strains any company. By 1956 PWA was flying night and day one of the wierdest collections of aircraft ever owned by a single airline. At one point there were no fewer than 30 different types on strength, ranging from antique flying boats to four-engined airliners and small bush planes.

PWA's Vancouver offices were controlling what amounted to half a dozen unrelated operations stretching across a third of the nation.

And nobody seemed to want to stop there. PWA executives arrived in Ottawa to ask permission to fly a jet service linking Vancouver, Windsor and the West Indies. They were refused.

They were back again with an application for trans-continental air services following the Conservatives' statement of policy opening the door to competition. This was dropped following talks with **Canadian Pacific Airlines** which was prepared to hand over more of its secondary services if it got the green light on a trans-continental license.

CPA got its route and PWA picked up far-ranging services north of Edmonton.

A little later TCA hinted it might be ready to hand over its Vancouver-Victoria-Seattle service if anyone wanted it. Once again PWA jumped in ready to fill any available gap.

Baker, until then the prime driving force, died suddenly last November having seen his line grow to proportions he had never imagined in the early years.

His successors found they had their hands full. In the north and on the prairie run the line was taking over from an experienced and wealthy carrier. PWA had to at least equal — and preferably better—that service to survive.

The transition went smoothly and PWA took over the last of CPA's central services on schedule this summer.

What happens now?

"Well we have yet to try the winter," D. D. McLaren, executive vice-president concedes. "In the summer we have been flying good loads and certainly making money on the northern route.

"As for the future? Well we have faith in the north as a growing force and we are sure our business will extend steadily. For instance we think Fort Smith will soon become the headquarters of Northern Affairs. If all those people move from Ottawa they will mean good new business."

PWA in common with all northern flyers finds the routes into the Arctic have some traffic peculiarities.

For one thing almost everyone who lives in a northern town or settlement is a potential customer at least once a year, probably more often.

"Imagine if everyone in Montreal could be counted upon for one flight a year," mused one PWA pilot.

Air freight is far less of a luxury and there's a lot of it. But right now it heads relentlessly in one direction—north.

"We are giving a lot of thought to the possibilities of developing new southbound loads," McLaren adds. "If we can find them we could afford to cut our rates quite a bit."

New equipment cannot be ordered without noting one very serious consideration. A number of airfields now used are of simple gravel strips that can wreck a low-hung propellor. That is one of the factors that interests PWA in the F.27 and Argosy. Both have wings and engines high off the ground.

Then, too, there is the matter of passengers. Most northern travelers behave like everyone else, PWA reports. But there are exceptions particularly among the miners and loggers heading out after a long stay in the bush.

"Sometimes they are too nasty to take until they've slept it off," a PWA crewmember told **FP.** "But generally they are all right. If they get a little troublesome in the air the stewardess simply tells them to sit down and behave.

"If the captain tried it, some of those guys would knock him through the window," he added. "But one word from those girls and they behave at once. They do wonders."

PWA has enough to keep it busy for the time being, but hasn't shelved future expansion plans. It is ready to take over any West Coast routes that either TCA or CPA might drop.

Its planners are anxious to extend the number and quality of feeder services linking remote areas to the mainline services of the big two.

Even the dream of a jet service to the West Indies is not completely forgotten.

The spirit that pushed PWA into the big league is still much in evidence.

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Golden Hawks Boost RCAF; Invitations From Abroad

At air displays across the country last summer, six RCAF Sabres, painted gold, dived and twisted as their pilots performed intricate formation aerobatics.

Known as the Golden Hawks, they were specially formed to mark the 50th anniversary of flight in Canada. They include some of the most skilled Sabre pilots available in the force.

This kind of flying puts a heavy strain on men. With wing tips inches apart there is no room for mistakes. And with thousands of people watching below, the risk of a major disaster can never be overlooked.

But the team, headed by S/L Fern Villeneuve, 31, of Ottawa had an added responsibility. Members knew they were flying some of the most important RCAF missions of recent years.

Behind the formation of the Golden Hawks lies the struggle of the RCAF to remain in being as a flying and fighting force. Threatened defence cuts, added to the overshadowing missile age, had backed the RCAF into a corner.

RCAF planners were anxious to win public support and enthusiasm for the force, and an exciting team of expert flyers has always won that sort of applause.

All Canadian teams were disbanded by an Ottawa order three years ago when all four members of the RCAF 1st Air Division's display team were killed during a practice flight. From then on, government policy remained rigid: No more aerobatic teams.

It took a lot of hard arguing by the plan's supporters to get the Golden Hawks into the air. Once there, the pilots knew that any incidents could lead to a quick turnabout in policy — and the end of some very valuable publicity.

One team member was killed during the summer when his Sabre collided with a light plane near Calgary airport. However, the RCAF was quick to point out, this was a routine flight between shows and had nothing to do with display flying.

Now the RCAF badly wants to keep the Hawks together. Invitations have been received for them to take part in European and U. S. displays next summer and that could lead to more favorable publicity.

RCAF public relations men reckon the Hawks earned the force well over $1 million in free — favorable — publicity this year. Public support for the future looks easier to come by as a result.

If Ottawa has plans to cut the RCAF role in the years ahead, the success of six skilled pilots may become an important factor.

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CANADA WILL build 214 F-104G Starfighters, a ground-attack version of these Lockheed F-104A interceptors. They will be built by Canadair with engines by Orenda.

Canadair's F-104G

Nearly a Flying Rocket

In about two years Canadians will begin seeing some unusual sights in the sky.

Looking more like wellguided missiles than the fighters people have been used to, they will be the first of the dagger-shaped F-104G Starfighters to be built by **Canadair Ltd.** of Montreal

If the test pilots are just a little too free with the throttle, shock waves will be regular occurrences — the same sort of waves that virtually demolished the new air terminal at Ottawa earlier this year.

The F-104G — or CF-111 to give it its new Canadian title — will be the nearest thing to a missile at present under construction in Canada. It is costing Canada some $400 million to get 214.

When it enters service with the RCAF 1st Air Division in Europe it should go a long way to restoring the reputation of these fighter squadrons. They are now flying aging Sabres in the same area that ultra-fast Soviet supersonics threaten to dominate in any future war.

Ottawa's decision to purchase the plane came after long and complex studies. Having dumped the Arrow, Ottawa was faced with the problem of a relatively large fighter force having heavy NATO commitments and no new equipment on order to keep it at top efficiency.

Many airmen expected the cabinet would automatically give the Sabre Replacement to **Avro Aircraft Ltd.** to plug at least some of the employment gap. In fact, however, Prime Minister Diefenbaker stated that his government could promise no more large defence aircraft orders in the foreseeable future.

That statement surprised RCAF planning teams that had for some time been working on requirements for the new tactical weapon needed by 1962-63 at the very latest.

In Paris, where NATO officials have learned to count heavily on Canadian air contribution to the over-all Western force, the Ottawa statement caused alarm.

As one NATO official explained it to **FP**:

"Canada's contribution to NATO is tremendously important, both militarily and politically. Canada's early contributions to NATO gave it a lot of the fire it needed, especially among the smaller members.

"Europe still considers Canada is very rich. If Canada wasn't prepared to pay for new equipment — well you can imagine the impact on others. The news that Canada was going to build over 200 F-104s and send them over to Europe was a real shot in the arm to everyone."

It was no less a shot in the arm to the Canadian industry. The outlook was bleak in the aftermath of the Arrow, and Ottawa's silence on the subject of a new plane did little to ease the discomfort.

Before the decision for the F-104, planners examined a wide field of possible planes. There could be no question of a Canadian design, as none was on the drawing boards and the plane selected had to be ready for quick production.

Initially the RCAF settled on a U. S. naval fighter, the **Grumman Super Tiger.**

It was not in production, but looked a potential winner, particularly as it was built for carrier operations and thus would have little trouble operating out of small tactical air fields. But the U. S. Navy decided against ordering it, and that was the end of the Super Tiger from a Canadian point-of-view.

Technically, many RCAF men leaned toward **Republic's F-105,** a giant single-seater that can be used as a fighter, nuclear bomber and ground attacker. But it carried a heavy price tag — almost twice that of the Super Tiger or F-104.

In the hope of having the F-105 selected, Republic suggested using the Canadian **Orenda** Iroquois engine in the RCAF version and possibly later USAF versions.

This offer cut little ice with the cabinet which was not anxious to resurrect a "dead" engine project at great cost, then pay for major re-engineering and finally risk having the planes ready long before the power plants.

There were a few others in the race, but finally the Lockheed F-104G was the clear leader.

West Germany had already ordered it and U. S. European-based squadrons are now receiving F-104s. It made tactical sense for Canada and it looked like a really effective weapon — one that Canada would receive with most of the bugs removed.

The decision as to the Canadian builder was a painful one for Ottawa. Avro was in desperate condition, **de-Havilland** and Canadair could both put up powerful cases for getting the work.

The engine subcontract was easier to settle. Orenda Engines Ltd. at Malton had easily the most extensive facilities in Canada for high speed jet engines. So the **General Electric** J.79 engine contract went there.

The electronics went to **Canadian Westinghouse.**

Airframe work was finally allocated on a straight low bid basis, with Canadair the winner.

Both Canadair and Orenda must produce 214 planes plus engines and spares inside rigid fixed-price contracts. Anything they can save is split 1/3 to the company, 2/3 to the government. For anything over the price the company pays the bill.

The result has been that the two prime contractors are driving hard bargains with the rest of the industry in bidding on subcontracts. The days of cost-plus contracts are now a distant memory.

What sort of plane have we bought?

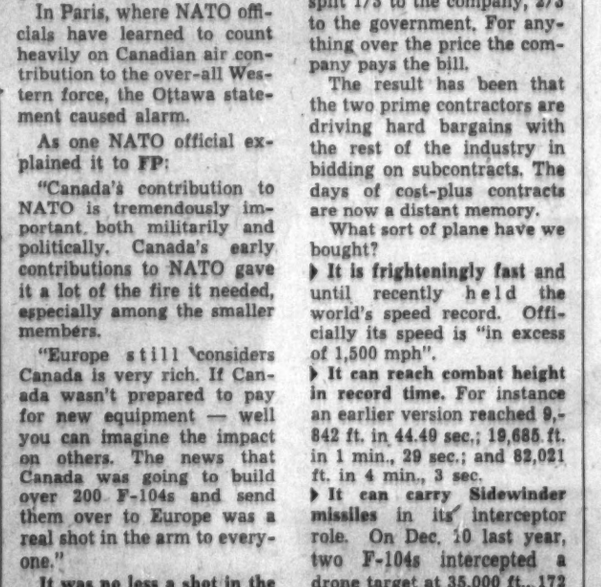
- **It is frighteningly fast** and until recently held the world's speed record. Officially its speed is "in excess of 1,500 mph".
- **It can reach combat height in record time.** For instance an earlier version reached 9,842 ft. in 44.49 sec.; 19,685 ft. in 1 min., 29 sec.; and 82,021 ft. in 4 min., 3 sec.
- **It can carry Sidewinder missiles** in its interceptor role. On Dec. 10 last year, two F-104s intercepted a drone target at 35,000 ft., 172 mi. from base, in 8 min., 59.19 sec. from releasing brakes. Average speed for the mission was 1,150 mph.

In its tactical role, the G version will be strengthened to sustain the sort of buffeting experienced during supersonic flight at low level. This will allow RCAF crews to fly at tree top height if necessary.

Under the licensing deal with Lockheed, Canadair has sole export rights on the G version.

F-104G Specifications

Dimensions	Span: 21 ft. 11 in. Length: 54 ft. 9 in. Height: 13 ft. 6 in.
Powerplant	Engine: General Electric J79/GE3 Max. thrust, dry: 11,000 lb. Max. thrust, afterburner: 16,000 lb.
Performance	Speed: "1500 mph class" Altitude: "Above 70,000 ft." Landing speed: "164 mph"



AISLE TROLLEY adds continental touch to meals served on Canadian Pacific Airlines new cross-Canada service. Passengers sample the fruit and cheese course.

Avro Pins Hopes On 'Saucer'

Avro, hard hit by cancellation of the Arrow aircraft and Iroquois engine programs last February, is pinning much of its hopes on a "flying saucer."

First viewings of a completed Avrocar are expected by the end of this year. Development of this vertical-take-off plane is occupying a considerable proportion of the approximately 4,400 people still working in the four aeronautical companies forming part of **A. V. Roe Canada Ltd.**

Pentagon interest in the Avrocar is high, and U. S. Army and Air Force officers are almost daily visitors at the Malton plant. Most details of the craft are still highly classified.

The Avrocar is said to be capable of hovering almost stationary, moving sideways, or zooming, with greater speed than a helicopter.

It will be able to skim the earth's surface or fly at altitudes reached by conventional aircraft, and may revolutionize military reconnaissance.

Because it will be able to dart between trees and dip into small valleys, it could confound enemy radar. It can rush troops and supplies anywhere.

It is based on the ground cushion phenomenon—which involves blasting high pressure jets of air from the side or bottom of the machine, boosting the craft off the ground.

At mid-year the U. S. was reported already to have spent more than $5.5 million on the project since 1955 under a contract with Avro.

A major boost to Avro is an impending contract by the Canadian government to **Orenda Engines Ltd.** to manufacture the **General Electric** J-79 engine, under license, for the **Lockheed** F-104G Starfighter.

This jet fighter has been chosen as replacement for the RCAF division in Europe.

Value of this contract will be in the region of $75 million over the next three years, and it could result in recall of at least 3,000 laid-off employees.

Orenda also has been active in seeking industrial contracts, and has substantial orders for diesel engines and transformers and generator sets, products of Avro group companies in the U.K. It also is working on a substantial order from West Germany for aircraft engine parts.

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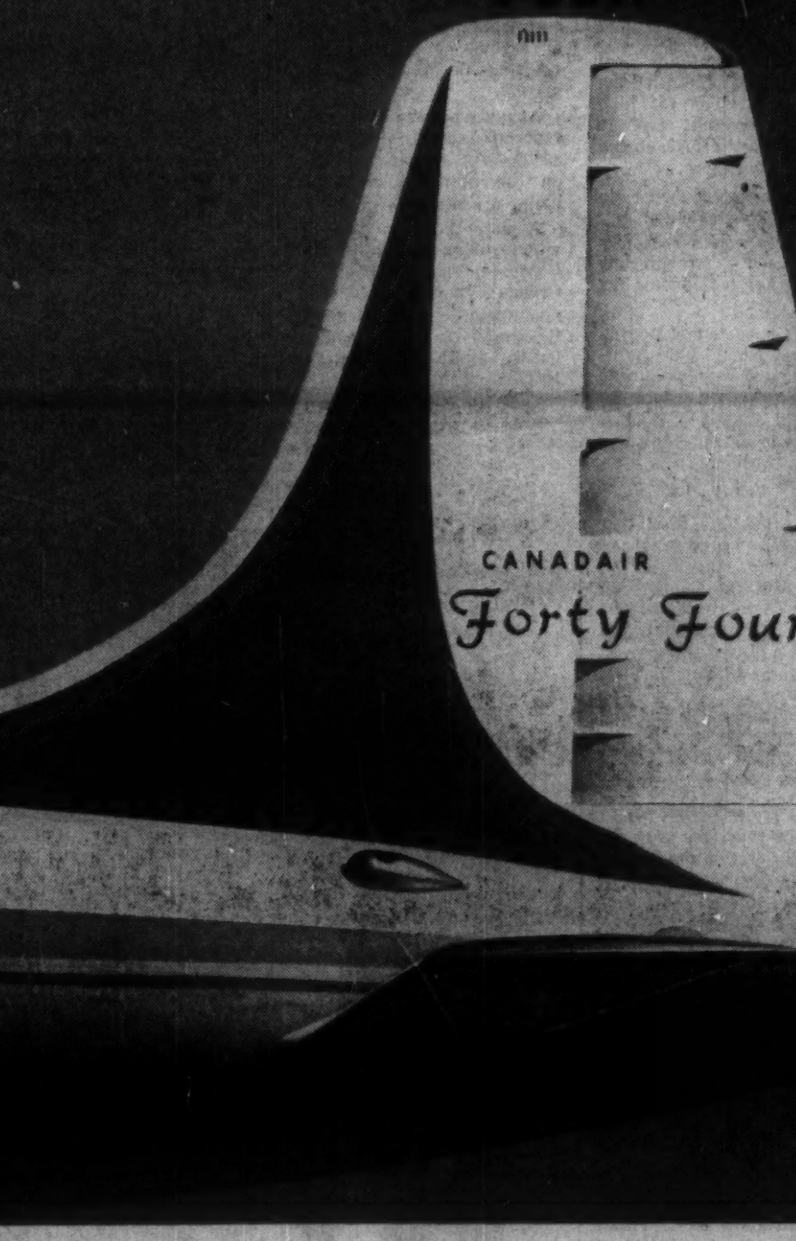
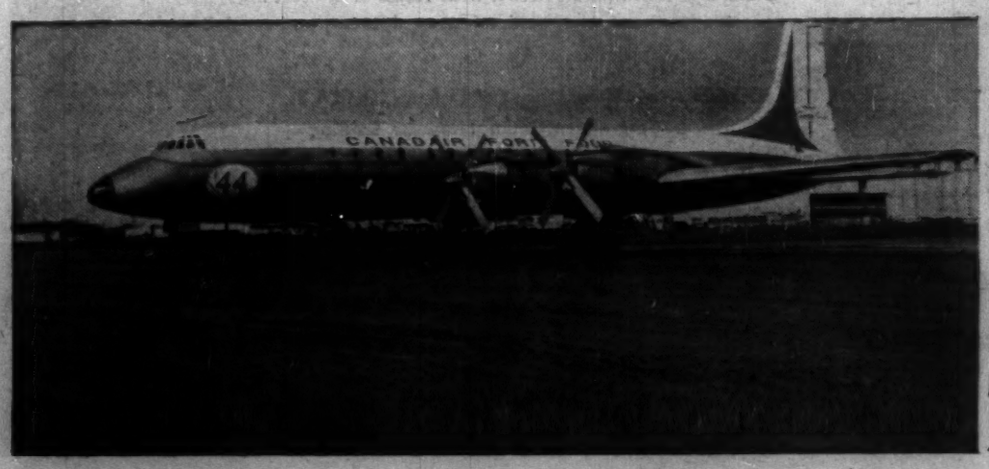


THERE ARE NO IFS, ANDS OR BUTS ABOUT THE CANADAIR FORTY FOUR. It is a "here and now" swing-tail cargoplane, at least 18 months ahead of comparable aircraft still in the "talking stage." ℂ The turbo-prop "Forty Four" is in full production for the Royal Canadian Air Force and two leading American airlines. It has already been through the development stage and its Rolls-Royce Tyne engines have been thoroughly tested and proved. With the "Forty Four" in your fleet, you can be 18 months ahead of competition and in a most favorable earning position.



First photographs of the Canadair Forty Four, taken September 30, 1959 at the Canadair Airport in Montreal. The "Forty Four" is now on the line for the Royal Canadian Air Force, the Flying Tiger Lines, Seaboard and Western Airlines Inc.

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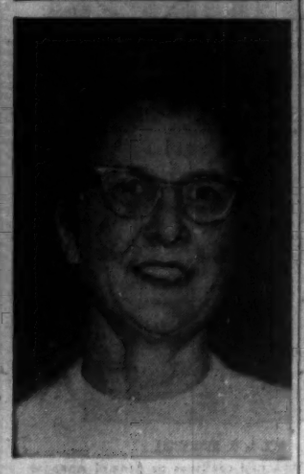
AIRCRAFT - RESEARCH AND DEVELOPMENT



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A new automatic machine for the production of gear-racks is now available in Canada from **Cosa Corp. of Canada,** Toronto and Montreal.

ANNOUNCEMENT

MARINA FINANCE APPOINTMENT

B. C. MONTGOMERY

The appointment of Mr. B. C. Montgomery to the position of General Manager has recently been announced by Marina Finance Co. Ltd. Formerly a supervisor with one of the major firms in the consumer finance field for over 12 years, Mr. Montgomery will be in charge of the rapidly expanding operations of Marina Finance in Canada.

Defence Policy

Front Line Problems

Never in peacetime history has defence been so actively discussed by the average Canadian.

Policies and problems once the unquestioned domain of military planners in their straggling Ottawa headquarters are now everyone's concern.

The factor that caused this switch was the sudden recognition of Canada's position in the front line of any future war.

"We are the Belgium of any future major war," one senior RCAF officer put it. "Like Belgium we haven't the power to cause or prevent war, nor do we have the ability to avoid it."

Until some 12,000 employees of **Avro Aircraft Ltd.** lost their jobs in a dramatic mass dismissal following the death of the Arrow project last spring, defence problems had remained something that most Canadians left up to Ottawa, Washington and NATO.

This year saw the first stark indications that our planners can't possibly have any safe and certain solutions. We are caught in a dangerous period of experimentation.

In a nutshell this is the brain-taxing problem we face:

We can now be destroyed by manned bombers based in Russia. The Soviet Air Force seems to be pressing on with development of new supersonic bombers that threaten to so befuddle our present defence network it would become less than useless.

Solution: Quite simple really, just install new and better ground control systems, radars and anti-bomber missiles and supersonic interceptors.

To be effective this means new defence spending at a rate that can only cut into our standard of living — and possibly drive an unhealthy share of the national budget into restricted armaments industries that produce few side advantages for the general economy.

Still this might be acceptable if it wasn't for the missile threat — and that's a real horror.

The West's missile experts during the past 18 months have gone from dire warnings that we are only two years ahead of the Russians in the field to today's admission that we have been left panting miles behind them.

Calmly and certainly the Russian scientists have progressed with adventure after adventure into the unknown world of space missilery that has proven beyond any possible doubt that they have mastered enough of the fledgling science to assure them a workable missile force within the next year.

Solution: In theory it lies in new radar stations that will track incoming Red missiles, and antimissile-missiles to scorch into space headed for a crucial collision.

But if it is difficult to drop a missile exactly onto its selected target, it is many times harder to shoot one into an exact spot in space.

If we can do it, Western experts admit, it will cost billions of dollars in development. And no one — other than would-be missile builders—is yet prepared to say we would get an effective defence even after that sort of expenditure.

"There is a great risk in all defence planning that one underestimates the enemy," a leading Canadian defence scientist told FP.

"One must never forget that during the time a defence system is under development the offensive planners are still hard at work thinking up new angles to make their weapons even harder to stop."

This is all complicated enough. But there's a new factor: An increasingly sophisticated public.

While the armed forces did all they could to raise public interest in defence problems they also profited in some respects from the general disinterest.

It was in this atmosphere that Washington was able to produce — and Ottawa and London to abide with — the theory of massive retaliation.

Such military bodies as Strategic Air Command of the U. S. Air Force courted publicity with the single-minded devotion shown by the most curvaceous starlet. There was an important message to get across: The mailed fist is always ready to strike back.

Now there are distinct signs that our defence policies are swinging away from that line.

You won't find any of the senior officers or government men saying so officially, but in private conversations all but a handful readily concede that we are sitting with our fingers on a trigger that everyone is too terrified to squeeze.

A top NATO commander told **FP** recently in Paris: "If the Russians move in on West Berlin and we threaten them with a nuclear war they would laugh in our faces. They know that nothing short of an all-out nuclear attack by them could force our hand.

"Nuclear warfare is too horrible to contemplate."

It may surprise some people, but very few of the generals and air marshals in 1959 are particularly bellicose. They know that the end of civilization is at their finger tips.

With that realization firmly in mind, they once again must look for alternatives. Short of a complete about-face on the world scene — something defence men cannot afford to accept into their calculations — the threat of **Communist arms remains.**

That indicates the dilemma that dogs the cabinets of every Western nation, not least Canada.

Certainly it has led to agonizing problems for Prime Minister Diefenbaker and his ministers.

If total war has really passed beyond the bounds of possibility—as so many people feel—then the costly Bomarcs and SAGE systems will never be used.

Yet many experts argue they are essential "insurance."

And meanwhile the tactical squadrons of the RCAF, plus their transport wings, may be suffering along with the army and navy from too little spending. Because if we are going to enter a period of limited "brush wars"—the logical alternative to total war — it is these units that will fight, not the silent, brooding Bomarcs crouching on their Ontario and Quebec launching platforms.

Finally, every country wants to get the most out of its defence spending. From time to time Canadian defence industry executives have tried to arrive at a breakdown of the dollar spent at home on defence.

One estimate by a leading plane-maker is that some 75c finds its way back into the treasury within a year of outlay.

Opponents of this way of thinking counter with the suggestion that dollars spent outside Canada on defence hardware usually come right back to buy our exports.

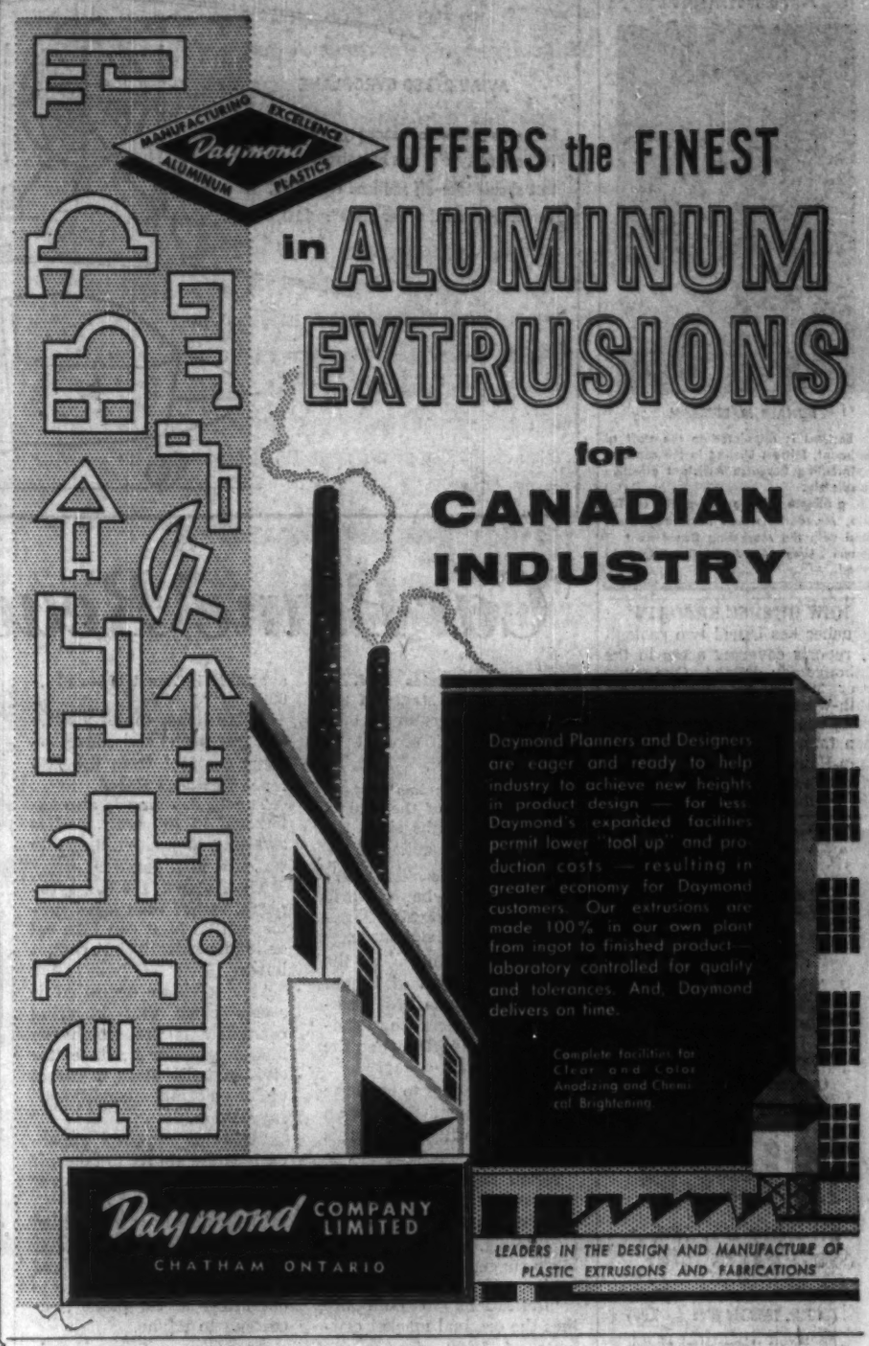
And so the questions pile up. What sort of defence should we buy? Can we buy it at home? How much can we afford — or how little?

It is enough to make the planners quit in disgust. Yet it's a poker game with no real ending.

If Russia and the U. S. ever get to throwing bombs and missiles at each other they will route most of them via Canada. And many of the present U. S. Bomarc bases are sited in places like Camp Adair, Ore.; Dow air force base, Me.; Duluth, Minn.; Ethan Allen, Vt.; Kinross, Mich.; Niagara Falls, N.Y.; Otis air force base, Mass.; and Suffolk County, N.Y. — all of which could kill some nuclear bombers over Canada's populated areas.

Unless Ottawa works with the Americans to move the defence line up further into Canada, we stand to get a worse hiding than many U. S. prime targets—in the event of intercontinental war.

Like Belgium in years gone by, Canada has a tiger by the tail. It's everybodys' headache.



Rolls-Royce Sales Stay Out in Front

Every time an aircraft powered by Rolls-Royce engines is ordered in the U. S. or elsewhere on this continent it automatically sets in motion additional activity in the Canadian aviation industry.

Rolls-Royce of Canada Ltd., Montreal, is responsible for the full support of the company's aero engines throughout North America — from Newfoundland to Hawaii and Alaska to Panama.

This responsibility revolves around supply of spare parts, technical engineering assistance, and the basing of permanent service representatives at strategic locations.

All these after-sales services are directed from Montreal, where the company also conducts a school on various types of engines, draws students from airlines, corporations, manufacturers, government aviation agencies, and fuel companies.

Since 21 airline operators on this continent are using Rolls-Royce engines in their fleets (all propeller turbines at the moment) in addition to 48 governmental, business and private operators, the activity of Rolls-Royce has continually grown in recent years.

This will be augmented in the near future with entry of the pure jets into the picture, when **TCA** starts service with its **Douglas DC8s,** powered by four Conway bypass engines.

Rolls-Royce has been in the front sales ranks since the introduction of gas turbines in civil airline service. From a design start with the Dart engine in 1945, it has kept its position.

The first turbo prop airliner to go into service was the **Vickers** Viscount, powered by four Darts, which commenced its airline life in 1953.

TCA introduced the jet age to North American airlines when it started Viscount service in 1955, followed by **Capital Airlines** in the U. S.

Major lines, like **British West Indian Airways, Continental, Northeast,** and others followed suit, creating a constantly increasing demand for a variety of support from Montreal.

With the **Fairchild F27** now in operation with a number of local airlines in the U. S., and **Quebecair** in Canada, the Rolls-Royce activities to support this twin engine, prop-jet airliner have steadily mounted.

Another American aircraft, the **Grumman** Gulfstream, has recently appeared on the scene, to add to the responsibilities of the Canadian company.

Further requirements for technical assistance, field service and spare parts are on the immediate horizon through the development of **Canadair's** CL44 cargo carrier.

A military version is on order for the RCAF, with deliveries to start shortly.

Orders have been won from the well-known U. S. freight carriers, **Flying Tigers** and **Seaboard & Western.**

The CL44 is powered by the Tyne engine, big brother to the Dart, and also powerplant for the Vickers Vanguard, which is on order for TCA.

It generates an equivalent horsepower of 5,730.

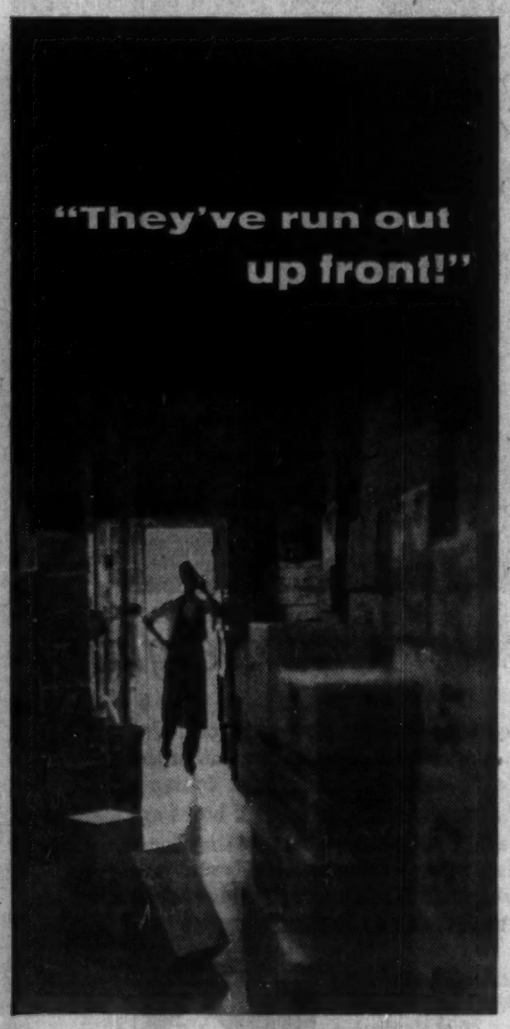
The same support in technical engineering, field service and spare parts for the Dart will relate to the Tyne, and overhaul facilities for this engine will be supplied from Montreal, as in the case of the Dart.

A recent company announcement revealed that 55% of all gas turbine engines — both turbojet and turbo prop — installed in or on order for civil airliners in the free world, are supplied by Rolls-Royce.

This not only includes the Dart, which has accumulated close to nine million hours in airline service, but the Tyne, Conway and Avon.

Avon has extensive background in the pure jet field, powerering the **de Havilland** Comet and the French manufactured Caravelle.

Conways have been selected by certain airlines for the **Boeing** 707, Douglas DC8 and the Vickers VC10.



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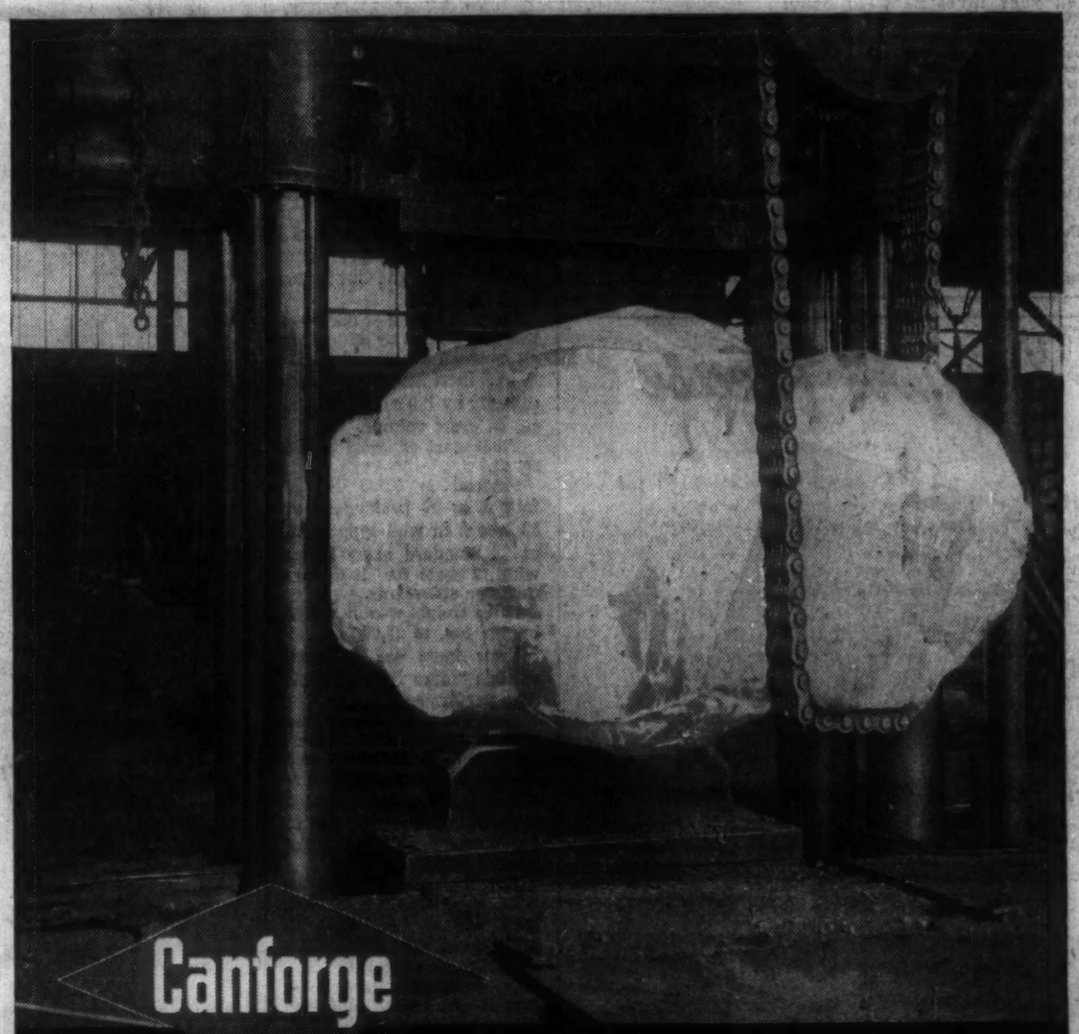

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CANADA FOUNDRIES & FORGINGS LIMITED WELLAND CANADA

ANNOUNCEMENT

BREITHAUPT, MILSOM APPOINTMENT

RONALD M. BERTRAM

Mr. Bertram is appointed to the staff of Breithaupt, Milsom Limited in the capacity of Marketing Research Assistant effective immediately.

A graduate of the University of Toronto, Mr. Bertram was previously associated with the Marketing Department of Gypsum Lime & Alabastine Canada Limited.

NEW QUEBEC REPORTS

Quebec has issued two geological reports covering areas in the Chibougamau district. One study cover 200 sq. mi. some 20 mi. south-west of Lake Chibougamau where copper, iron and gold have been found. A study of the Fancamp-Hauy area (195 sq. mi.) 10 mi. southwest of Chibougamau is also available.

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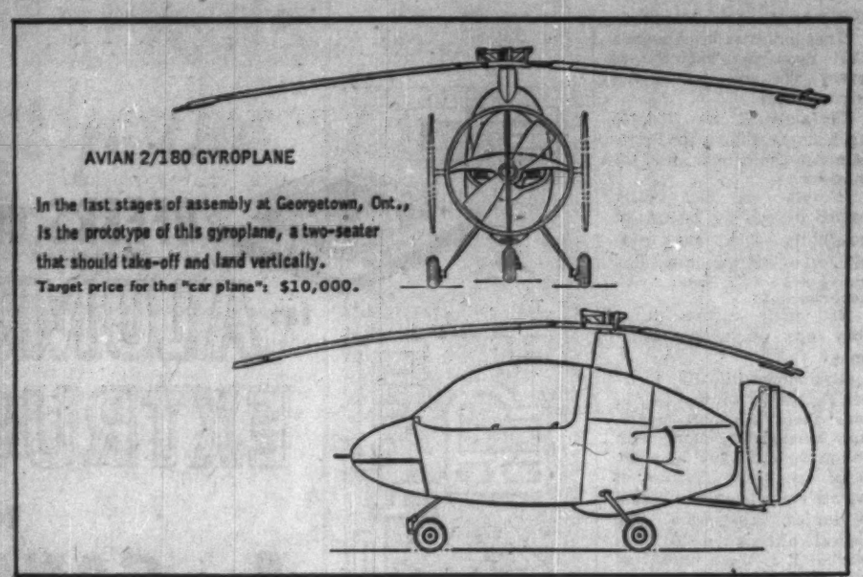


AVIAN 2/180 GYROPLANE

In the last stages of assembly at Georgetown, Ont., is the prototype of this gyroplane, a two-seater that should take-off and land vertically.

Target price for the "car plane": $10,000.

'Car Plane' Ready Soon

Avian Industries Ltd. is now in the last stages of assembly of the prototype of a vertical-take-off aircraft at Georgetown, Ont.

Seven months has elapsed from initiation of the design, about four months since the first metal was cut.

Avian believes this performance may be a world record for an aircraft designed to production standards.

The "gyroplane" is the project of a team of former **A. V. Roe Canada Ltd.,** aeronautical engineers who formed Avian Industries when the Arrow program collapsed.

The team hopes to have the plane, designated the "Avian 2/180", begin flight trials this month.

Avian says its plane will have an operating cost a little less than that of an ordinary automobile, and the automobile's ruggedness and general utility.

"Indications to date are that the original market estimate of 5,000 aircraft per year will prove to be too low by a substantial margin," says R. R. Payne, president.

Target price for production aircraft, which could be available in April 1960: $10,000.

Avian hopes to get a $98,600 research and development contract from the Defence Research Board.

The U. S. Army is also interested in the craft, and is awaiting an invitation to watch it in flight.

The Avian 2/180 is a gyroplane, rather than a helicopter — that is, it can take off or land vertically but cannot hover.

"For civilian operation it seems clear that hovering capability is not worth the money paid for it, since few civilian helicopters utilize it under normal conditions," says Avian.

"What is required apparently is the ability to take-off and land without a run over the ground."

The company also wanted to produce an airplane that was safe, had low initial and maintenance costs and easy to operate — a "car-plane", according to Payne.

According to Avian, here is how its gyroplane will provide these features:

● **For safe take-off and landing,** a compressed air reservoir system was developed to obtain sufficient stored energy to drive the rotor and allow a margin of error by the pilot.

Avian considered the use of kinetic energy (overspeeding the rotor on the ground) too unsafe to use for jump take-off and landing in a ship which would be flown by relatively inexperienced pilots.

The autogyro will have a jump take-off height of around 200 ft., Avian says.

● **The plane uses "servo-tab control rotors"** to achieve dynamic stability at low forward speeds, a problem with rotor-craft.

● **The rotor system and main fuselage** have been made of steel to withstand the rigors of service under adverse conditions, Avian says.

● Specifications call for a cruising speed of 150 mph, with propulsion provided by a ducted fan at the rear in place of the more conventional propeller.

This ducted fan allows the rotor to be placed nearer the ground and replaces the functions of a fin and tailplane.

It also enables the rudder or yaw vane to be mounted immediately behind the propeller where it is most effective, reduces propeller noise, and constitutes a safety feature in preventing people from walking into the propeller disc, Avian says.

● **Although a single engine aircraft,** it has a very high degree of safety with respect to engine failures, the company says.

If the engine fails at an altitude below 100 ft., the air bottle system provides the rotors enough energy to enable a normal landing.

Above that height, a "dead stick" landing can be used. Normal approach for such a landing is at a speed of between 20 mph and 25 mph and the touch-down speed is 15 mph, Avian specifications say.

Other Avian specifications include:

▸ **A normal still air range of 450 mi.**

▸ **Operating costs of 3c-4c seat-mi.**

▸ **Two seater capacity.**

"The gyroplane employs features utilized on existing fixed wing and rotary winged aircraft, rather than any new and untried innovations which require extensive development, Payne says.

"It could be used in place of an automobile and would be just about as safe to operate."

"It opens up revolutionary prospects in the world of business, makes pleasure flying truly practical for the average man," he says.

ANNOUNCEMENT

NEW APPOINTMENTS AT BRIDGE & TANK

MR. W. J. H. DISHER — MR. T. P. RAHILLY, JR. — MR. H. O. JONES — MR. L. D. MAXWELL

A. B. Hill, president of Bridge & Tank Company of Canada Ltd., announces the following appointments in Bridge & Tank's cross-Canada team of companies:

Mr. W. J. H. Disher, B.A.Sc., has been elected a director of the company. Mr. Disher brings to the company many years' managerial experience in the structural steel industry.

Mr. T. P. Rahilly, Jr. has been appointed vice-president of the company. He has also been elected Chairman of the Board of both Ford-Smith Machine Company Ltd. and Vulcan Ford-Smith Ltd.

Mr. Rahilly is a director of Bridge & Tank and continues as general manager of Hamilton Bridge Division.

Mr. H. O. Jones has been appointed president of Western Copper Mills Ltd. Mr. Jones continues as president and general manager of Bridge & Tank Western Ltd.

Mr. L. D. Maxwell succeeds T. P. Rahilly, Jr. as president of Ford-Smith Machine Company Ltd. and Vulcan Ford-Smith Ltd. Mr. Maxwell was formerly vice-president and general manager.

Caribou

Successful Tests

Wtih three YAC-1 Caribou delivered to the U. S. Army and two more nearing completion, **De Havilland Aircraft of Canada** is settling in to build one of these $500,000 transports a month.

As delivered to the U. S., the Caribou is bigger and heavier than the first one built last year.

Fuselage ahead of the wing was lengthened by 45 in., for an over-all length of 72 ft. 7 in., increasing the cabin capacity by 150 cu. ft. to 1,150 cu. ft. gross volume.

Floor surface area is 176 sq. ft.

Payload is 7,525 lb. of freight or 30 passengers, or 32 troops in wall-type seats, or 14 standard army litters with 12 seats for sit-up patients or attendants.

Gross weight was increased by one ton, to 26,000 lb.

Tests have de Havilland officials "more than pleased" with performance.

Designed as a short-take-off-and-landing craft, especially for army transport and civilian uses with small airstrips, the Caribou is rated officially as requiring 540 ft. for takeoff and 525 ft. for landing with zero wind.

But in a 15 mph. wind the craft was airborne in less than 250 ft. Averages in seven to 10 knot winds have been less than 300 ft.

Demonstrations have shown that it can unload and load 24 troops or three tons of cargo in a "turnaround time" of 5 min.

The U. S. Army is putting the aircraft under exhaustive tests, totalling more than 1,000 hr. each, at five locations including one in the Arctic.

Meanwhile, a Caribou will start soon on a demonstration flight to NATO countries, and will be shown to potential military and civil buyers.

Starting at Amsterdam Nov. 18 it will go to Brussels, Lisbon, Tripoli, Athens, Ankara, Beirut, Tehran, Abadan, Kuwait, Dhahran, Karachi, Lahore, Delhi, Ceylon, Colombo, Calcutta, Dacca, Rangoon, Bangkok, Kuala Lampur, Singapore, Djakarta, Bangdung, Brunei, Jesselton, Manila, Biak, Lae, Port Moresby, Cairns, Brisbane and Sydney, arriving Feb. 23.

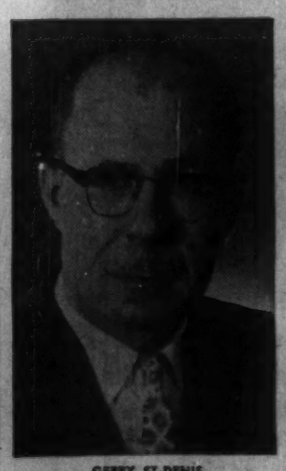
The craft is expected to be particularly valuable in undeveloped areas.

Player's Please

THE MILDEST BEST-TASTING CIGARETTE

ANNOUNCEMENT

COLLYER ADVERTISING APPOINTMENTS



GERRY ST-DENIS

MICHAEL D. ARTHUR

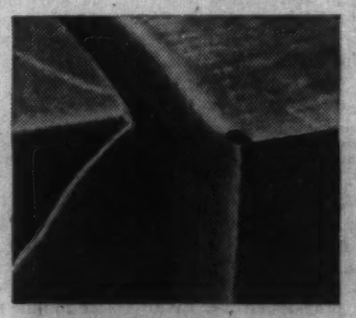
In keeping with the Company expansion programme, J. H. Collyer, President of Collyer Advertising Limited, Montreal and Toronto, announces the following appointments to the Montreal Office.

Gerry St-Denis has been named Director of French Services and Senior Account Executive. A native of Montreal, Mr. St-Denis has had over 21 years of advertising agency experience. During the last war he was Radio And Trade Paper Executive of the French Committee of the War Advertising Group. A specialist in French marketing, he was until recently, Senior Account Executive and a Director of a national Canadian advertising agency.

Michael D. Arthur to the Client Contact Department as an Account Executive. Mr. Arthur has had over 6 years experience in Print Production, Media, Radio/TV Production and Client Contact in the New York, Toronto and Montreal offices of a large International advertising agency.

Corrugated cartons that resist water and weight?

These are our new Hendershot Control-Pak cartons—completely waterproof! For corrugated board, the stacking strength is amazing. Water will damage neither the box . . . nor the contents. As well, Control-Pak's insulation will protect contents up to three times longer than similar packaging materials! Control-Pak boxes are economical—because they're light. And they save storage space—because they come to you knocked down. Neat and attractive, they take printing beautifully and present your product effectively. Control-Pak is adaptable to an amazingly wide variety of uses—from fresh vegetables and meat, to explosives and hardware goods!



Free—A booklet illustrating the details of Control-Pak and other Hendershot corrugated products is available. To get one just have your secretary send us your name and address.

Two styles of corner construction are available: one keeps water in . . . or out; the other allows melted ice to drain away.

HENDERSHOT

paper products limited Box No. 508, Burlington, Ontario Telephone, NElson 4-3225 Toronto, EMpire 4-2309

Bristol Markets

Taking Up the Slack

Painfully aware of the erratic nature of their industry, many Canadian aviation firms are trying hard to diversify into products both inside and outside the aircraft business.

A. V. Roe Canada set a brisk pace by expanding away from planes into coal, steel, rail cars and buses, in the process building a new industrial giant in Canada.

Another company that has been searching for business in the general industrial field is **Bristol Aeroplane Co. of Canada.** Its executives have been studying a number of potential markets that might take up any possible slack in its three-plant Canadian operation.

Outcome of these studies will be carefully watched by the rest of the industry.

Here is a glance at Bristol's operations right now. They provide an excellent example of the drive toward diversification.

● **Montreal Division:**

Wright turbo - compound overhaul for both civil and military operators remains the main activity of the Montreal division. It is estimated that 224 engines will have been overhauled by the end of the year.

Of these, 103 are for commercial operators and 121 military. Some 122 Merlin 224 and 622 engines will be delivered this year.

Commercial business has now expanded to 46% of total turnover and with the introduction of export business, this proportion should be maintained, says Bristol.

The plant currently employs 540.

● **Vancouver Division:**

With development of Proteus turbo-prop overhaul work for **Canadian Pacific Airlines** and for Latin American operators, the Vancouver division's turnover has increased threefold since 1957. Civil business has increased to more than 80% of the total business of the plant.

Proteus production will probably reach 125 engines and 65 power plants by the end of the year.

Military contracts cover the overhaul of 60 R-2600 and 18 **Pratt & Whitney** R-1830 engines plus propellers and accessories.

Total staff of the division is 182.

● **Winnipeg Division:**

Bristol Aero - Industries' largest Canadian operation has been capitalizing on the government's recent production-sharing policies in seeking business in the U. S. and other export markets.

The Winnipeg plant, located on some 34 acres of property adjacent to Winnipeg International Airport, provides employment for approximately 1,150 people.

Participation in the Canadian government's CF-100, Expeditor and Mitchell aircraft overhaul and repair programs and the manufacture of a variety of aircraft and jet engine components on behalf of such customers as **Canadair, de Havilland, Orenda** and Avro has kept the Winnipeg factory busy in recent years.

One of the first U. S. companies to do business in Winnipeg was **Beech Aircraft Corp.** of Wichita, which placed orders for the design, development and manufacture of conversion kits for the Mentor trainer aircraft.

Recently representatives from a number of major companies — including **Boeing, Douglas, Convair, Lockheed, Republic, Marquardt** and **Bell**—have visited Winnipeg.

Bids have been submitted by Bristol on a very large volume of business and negotiations are currently under way for the tooling and manufacture of a variety of aircraft, radar and engine components.

Close proximity to the Winnipeg International Airport allowed Bristol into the airline servicing field. Canadian Pacific Airlines, **Northwest Orient, Transair, Imperial Oil** and many others have availed themselves of Bristol's ramp handling and service organization.

In Canadair's CL-44 program, the Winnipeg engineering staff assisted in design of the jet pipes and muffs and engine mounts. Through Canadair's sales efforts with U. S. freight operators, Bristol now has additional orders for the commercial aircraft export market.

For **Grumman Aircraft Engineering Corp.**, Bristol will redesign, tool and manufacture power eggs for the Albatross search and rescue aircraft for the RCAF.

Bristol's turbo shops, which for several years were actively engaged in the production of "Orenda" and "Iroquois" tail pipes, exhaust cones, etc., have been reactivated by orders from the **Marquardt Corp.** of Utah for fabrication of RJ-47 Ramjet engine components for the "Bomarc" missile program.

Aviation Services Division:

The Aviation Services division of Bristol was formed in June, 1958, at Montreal Airport to offer technical and non-technical ground handling services to scheduled carriers and itinerant operators.

Following the formation of this unit in Montreal, a second branch of the division was opened at Winnipeg Airport in November last year. A further unit was opened at Malton Airport in Toronto last April.

PT6: A Secret Well Kept

The recent news that **Canadian Pratt & Whitney Aircraft Co.** had designed and developed a revolutionary new small turbo prop engine caught the aviation world by surprise.

There had been rumors of some such project. But the details and advanced stage of development were well-kept secrets.

Known as the PT6, it is a lightweight, 500 - hp engine apparently ideally suited for small business planes and helicopters.

Thus after 31 years as a manufacturing and sales organization for its parent company, **United Aircraft Corp.** in the U. S., the Montreal aero engine and helicopter firm has pushed out on its own into the fields of research and development.

Development of the PT6 actually marks the company's second venture in the gas turbine field.

It shared in the initial design work of the JT12, a 436-lb. turbojet engine with 3,000 lb. of thrust, which was introduced last year by **Pratt & Whitney Aircraft** of East Hartford, Conn.

The JT12 powers a variety of aircraft, missiles and drones, including the **Canadair** CL-41 jet trainer, the **Lockheed** Jetstar and **North American's** Sabreliner.

With that successful engine as a background, Canadian Pratt & Whitney undertook design and development of the smaller PT6.

The new engine, say its designers, caters to both turboprop and turboshaft installations with a minimum of change.

Throughout the design growth of the engine, the company's engineers had in mind requirements for light twin, and medium single engine, fixed wing aircraft and helicopters, as well as aircraft with vertical take-off and landing capabilities. Thus the engine design permits continuous operation with the thrust axis inclined from 45 deg. nose down to 110 deg. nose up.

Savings in both production and maintenance costs on the new engine are exemplified in design details such as 24 anti-friction bearings, covered by only four part numbers. All axial compressor blades are identical, except for length, and stator blades are similarly standardized.

Some of the claimed advantages of the PT6:

● **Easy maintenance,** with a minimum of servicing between overhaul periods of 1,000 hrs.

● Integral oil tank providing a self - contained lubricating system for the engine and propeller, eliminating airframe connections.

● **Lower over-all engine noise level.**

The turboprop version of the PT6, which engineers say has a generous growth potential, offers a guaranteed maximum specific fuel consumption of 0.69 lb. per equivalent shaft horse power per hour.

The turboshaft model weighs only 225 lb., 25 lb. less than the turboprop version. The shaft engine produces 500 hp at take - off conditions.

Designers reversed the conventional engine layout in the PT6, avoiding use of concentric shafting. Most installations will utilize a scoop-type cowling inlet.

The air enters the engine near the rear of the nacelle, similar to the carburetor scoop position on piston-engine aircraft, and is compressed by a single compressor assembly connected with the first turbine.

The second, or free turbine, is spun by the gas flow from the first turbine, and is directly linked through reduction gearing in the nose section to the propeller shaft. Exhaust gases are discharged through twin ports on each side of the nacelle aft of the nose section.

A single stage of gearing provides 6,000 output shaft rpm for the turboshaft version. A second stage of gearing in the turboprop version provides 2,400 propeller rpm.

Canadian Pratt & Whitney will begin production of its PT6 free-turbine engine with a great deal of experience in supplying power to light aircraft producers and operators.

The 5,000 sq. ft. of factory space with which it began operation in 1928 have grown to 850,000 sq ft., and the initial 10 employees have increased to over 2,600, housed at two modern plants in suburban Montreal.

Over the years, the original overhaul and supply business has expanded into today's complex of aircraft engine spares manufacture; the sale and service of **Sikorsky** helicopters, **Hamilton Standard** propellers and aircraft accessories; original design work in the gas turbine and other fields and, most recently, electronics and data processing as the Canadian representatives of the new **Norden** division of United Aircraft Corp.

Of classic simplicity and beauty, the new office building of the Prudential Assurance Company Limited of England will enjoy complete Climate Control—thanks to a Trane CenTraVac, with low-pressure UniTrane in each office. Prudential staff and tenants alike will enjoy freedom from heat and humidity even on the hottest days! To achieve year 'round comfort in your next building, ask your architect or consulting engineer to specify TRANE air conditioning and heating equipment. Ask them, too, about modernizing the system in your present building, or write direct to:

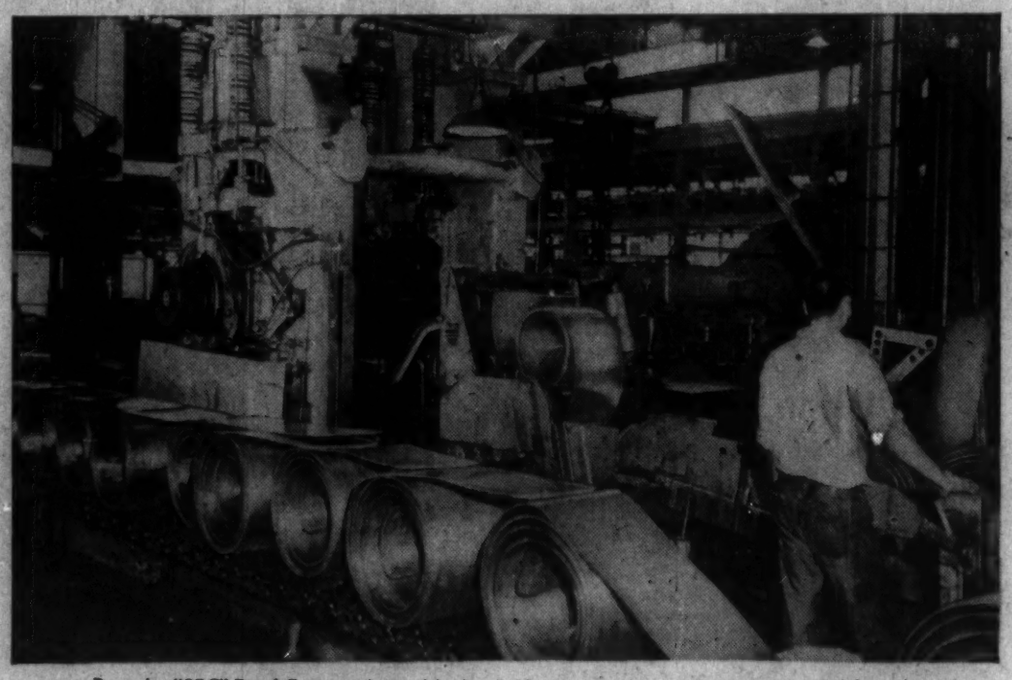
TRANE COMPANY OF CANADA, LIMITED TORONTO 14

Manufacturers of equipment for air conditioning, heating & ventilating

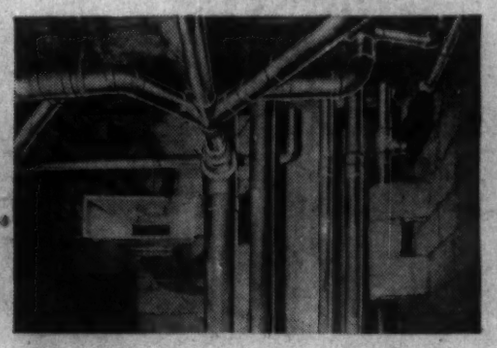
YEAR 'ROUND WORKING COMFORT IN NEW MONTREAL INSURANCE CENTRE!

with air conditioning and heating equipment by TRANE

NEW HEAD OFFICE BUILDING,
PRUDENTIAL ASSURANCE COMPANY LIMITED OF ENGLAND
465 ST. JOHN STREET, MONTREAL, QUEBEC
Architects & Engineers:
Barott, Marshall, Merret & Barott,
General Contractor:
Anglin Norcross Corp. Ltd.—Montreal
Mechanical Contractor:
Canadian Comstock Company Ltd., Montreal
TPI-59-5



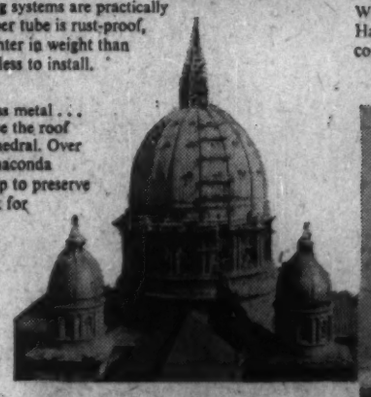
Processing "ORC" Brand Copper at Anaconda's plant in New Toronto, Ontario. Sheet copper is coiled for easier handling as it comes from this 4-high mill.



Copper tube plumbing systems are practically standard today. Copper tube is rust-proof, extremely flexible, lighter in weight than threaded pipe—costs less to install.

Winding generator coils at Canadian Westinghouse plant, Hamilton, for St. Lawrence Seaway . . . 60-75,000 lbs. of copper strap required for each of 8 generators.

Copper . . . the ageless metal . . . was selected to replace the roof of this Montreal Cathedral. Over 150,000 pounds of Anaconda Sheet Copper will help to preserve this historic landmark for generations to come.



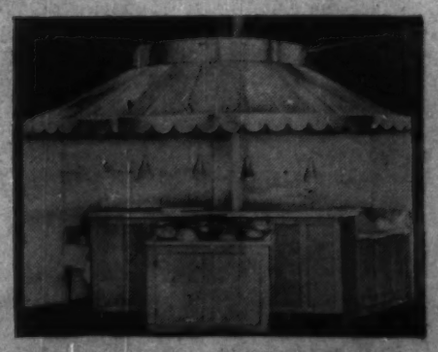
Copper tubing in radiant panel, baseboard or convector heating systems provides maximum comfort . . . helps insure lasting, trouble-free service.

ANACONDA uses INCO ORC* BRAND COPPER
for the production of fine quality copper and copper alloy products

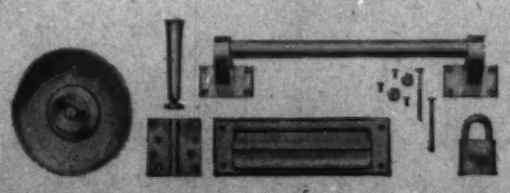
Today there are thousands of uses for copper. Modern manufacturers know copper to be durable, rust-proof and corrosion resistant, easy to work with. They know these qualities make it the ideal metal for a wide variety of building applications. And that copper—with its alloys, brass and bronze—provides many unique effects when used for hardware, appliances and ornamental accessories.

One of the largest consumers of copper in Canada is Anaconda American Brass Limited. They supply Canadian industry with copper and copper alloys in sheet, strip, rod, bar, extruded shape and tube forms, from which many finished products are made. To insure a high standard of quality, Anaconda selects dependably pure INCO "ORC" Brand Copper. *Trademark

Copper eavestroughs and downspouts are important in rain disposal systems.



The warm appearance of this copper canopy and wall adds beauty to the Golden Grill in the Oak Room, King Edward Sheraton Hotel, Toronto.



Hardware items of solid brass or bronze are rust-proof and corrosion resistant.

MADE IN CANADA ORC REG. CAN. PAT. OFFICE

INCO TRADE MARK

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED
55 YONGE STREET, TORONTO

KD: (T)

THE VICKERS GROUP

VICKERS-ARMSTRONGS (ENGINEERS) LTD.
ELSWICK & SCOTSWOOD WORKS,
NEWCASTLE UPON TYNE
ENGLAND

THE PRESS.

1200 ton "British Cleaning" Press under construction
(This mass of metal weighs about 165 tons!)
The press is completely automatic in operation
all its parts are made here, including "Dies".

There are two rivers & 50 tonner crane runways. A big 50 ton crane below & this "high flier" way up in the roof

Height, about 32 feet above ground, and at least 10 below ground

Five hundred men work in this shop. When the press is working many more are employed in the workshops & the yards.

Eccentric Gear

Steel casting also made here. 1½ tons

These are Tom Dodds' "slings."

This is the long shaft that transmits power from the drive to the moving parts of the press. It is installed eight feet below the surface.

Tom Dodds: "Slinger" of 17 shop.

An important man indeed. His job is to load, and control all movements of the great cranes. A great deal depends on this man's skill and judgement. He's a Vickers type all right. His father was a crane driver here, & Tom has a son in the Research dept.

This shop is about ¼ mile long and 70 feet high, and there are half a dozen others like it.

The shop cat, that everybody feeds but nobody owns!

NEXT COMMISSION: AIRCRAFT.

The VANGUARD," Weybridge Works, SURREY.
(Nice & near home!)

Mr. Terence Cuneo has been commissioned by Vickers Limited to produce a series of drawings giving his impressions of the immense resources and production capacities of the Vickers Group. Mr. Cuneo's original pencil sketch and notes for his subject, made on the spot and reproduced here, convey in a particularly vivid manner the size and capabilities of the Newcastle shops.